# Sales Suna Sales Sales Management

The Weekly Magazine for Marketing Executives



J. E. Fields Vice-President in Charge of Sales, Chrysler Motors Gorporation

Chrysler Sales Head Explains His Theory of Building a Sales Machine

Southern Pacific Retrieves a Slipping Market Through Localized Advertising



# "Come on! This stuff won't kill you!" ... but it did!

The Scripps-Howard Newspapers are not reformers. They do not seek to play heroic parts. They do not strike the holier-than-thou pose. They have plenty of figures in their own error columns.

But they know that newspaper publicity can often eliminate evils that menace public health and welfare. And after an appalling number of poison-liquor casualties following a holiday, an Eastern Scripps-Howard Newspaper took quick and characteristic action.

More than 400 speakeasies were investigated . . . not in behalf of the

Volstead act, but for public safety. Samples of liquor were analyzed by chemists. An accurate list of the poison sellers was given to the Commissioner of Police, and published simultaneously in the newspaper. Within an hour after receiving these names the police organized raiding squads which immediately closed every speakeasy on the list.

And within 100 days following this Scripps-Howard investigation a bill was passed by both houses of the State Legislature, and signed by the governor, imposing heavy penalties on the sellers of poison liquor.

The Scripps-Howard Newspapers believe that it is their duty, and the duty of every reputable newspaper, to expose such conditions. Newspapers are neither policemen nor judges. But they can broadcast the facts about unwholesome situations so quickly and forcibly that corrective action follows fast.

"Give light, and the people will find their way." This is one of the oldest and strongest Scripps-Howard principles. It is still helping to make life safer and more pleasant for the good citizen . . . and extremely uncomfortable for his enemies.



NEW YORK Telegram SAN FRANCISCO . News BUFFALO . . . . . Times COLUMBUS . . . Citizen HOUSTON . . . . Press KNOXVILLE News-Sentinel CLEVELAND . Press WASHINGTON . . News INDIANAPOLIS . Times AKRON . . . . Times-Press YOUNGSTOWN Telegram EL PASO . . . . Post BALTIMORE . . Post CINCINATI . . . Post DENVER Rocky Mt. News BIRMINGHAM . . Post FORT WORTH . Press SAN DIEGO . . . Sun MEMPHIS Press-Scimitar OKLAHOMA CITY News EVANSVILLE . . Press - Kentucky Edition of Cincinnati Post ALBUQUERQUE . . . New Mexico State Tribune

## SCRIPPS HOWARD NEWSPAPERS MEMBERS OF THE AUDIT BUREAU OF CIRCULATIONS ... OF THE UNITED PRESS AND OF MEDIA RECORDS, INC.

NATIONAL ADVERTISING DEPARTMENT, Stuart S. Schuyler, Director, 230 PARK AVE., NEW YORK, CHICAGO, SAN FRANCISCO, DETROIT, LOS ANGELES, ATLANTA, PHILADELPHIA, DALLAS

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## 54 YEARS &



THE Chicago Daily News has always had one policy: un-compromising public service—through complete editorial independence and impartial presentation of news.

For fifty years that policy has been fearlessly, consistently and ably administered by Victor F. Lawson and continued by Walter A. Strong.

For twenty years Mr. Strong worked on The Chicago Daily News under Victor F. Lawson; learned his methods, shared his views and was his intimate and confidant. At Mr. Lawson's death in 1925 he took up his former chief's responsibilities as publisher.

There was no break in policy—no ripple in the smooth flow of The Chicago Daily News service. The staff knew Mr. Strong. They gave him the same deep loyalty they had accorded his predecessor. He and they were one in a common devotion to The Chicago Daily News.

Expansion to anticipate the constantly growing demands upon the service of The Daily News was always an integral part of that policy. The increase in personnel, and the new building and equipment added by the present publisher are logical and inevitable developments.

The new office building has also splendidly justified its location. Aside from providing the ample and modern housing essential to the varied and broadening service of The Daily News—which had far outgrown its old quarters—it has 92 per cent of its leasable space already occupied by substantial business concerns.

cerns.

Its site is focal. Two-thirds of Chicago business people enter the Loop from the North, the Northwest, the West and Southwest Sides. Sixty-five thousand suburbanites pass through The Chicago Daily News concourse twice daily. Its space is eagerly demanded. Like the great journal it houses, it is a monument to service rendered and a pledge of greater service to come. service to come.

"It is our earnest wish that you—reader, advertiser and friend—shall feel a deep, definite and personal interest in our new home. It enables us to render a greater service to Chicago. Your patronage and loyalty have built it. Visit it. Enjoy it with us."

\* \* \* \* \* \* \*

WALTER A. STRONG, Publisher.

### THE CHICAGO DAILY NEWS

Jan Dillion

Daily News Plaza 400 W. Madison St., Chicago

National Advertising Representatives National Advertising Representatives
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NEW YORK: John B. Woodward, 110 East 42nd St.
DETROIT: Woodward and Kelly, 408 Fine Arts Bldg.
SAN FRANCISCO: C. George Krogness,
303 Crocker First National Bank Bldg.
LOS ANGELES: Arthur A. Hinckley, Room 624,
117 West 9th Street
ATLANTA: A. D. Grant, 711-712 Glenn Bldg.

The **Tenants** of the

New Chicago Daily News Building

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Boos, Edwin G., Surveys
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K. & W. Equipment Co.
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Chicago Artificial Ice Co.
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& Butchers Association of Illinois
Chicago & North Western Railway Co.
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The Chicagoan
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Canchor Cop & Closure Corp.
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American Metal Cap Company
Crowther, H. A.
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Liggett Drug Stores, Inc.
Republic Machinery Co.
Morrow Ca, Inc., The
Greenie Bros. & Co.
Republic Machinery Co.
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Soil Improvement Committee
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Stoker, Dee A.
Terminal National Ban
Tuttle Press Company,
Meyers, Geo. H. & C
Union Bag & Paper Co
Union Redwood Compa
Union Lumber Comp

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## **Invest** in Growing Omaha!

Census estimates have raised Omaha from 34th to 33rd place in popula-

But Omaha is 22nd in business (bank clearings).

Federal Reserve bank reports general business "at an unusual high rate of activity."

World-Herald advertising gained 925,000 lines during the first six months compared with the same period of 1928. An increase of over 15%.

All proof of a growing Omaha!

PROFIT FROM IT!

### The OMAHA **WORLD-HERALD**

MAY TOTAL NET PAID 132,096 Daily 133,711 Sunday

O'MARA & ORMSPEE, Inc. National Representatives DETROIT NEW YORK CHICAGO Los Angeles SAN FRANCISCO

## Survey of Surveys

### BY WALTER MANN

### Thumbnail Reviews for June Domestic Commerce, June 3

International Aspects of Industrial Marketing. A reprint of an address delivered by Nelson S. Greensfelder before the meeting of executives in industry concerned especially in problems of industrial marketing, held in conjunction with the U. S.

Dept. of Commerce. Hercules Powder Co., Wilmington, Del. Twelve pages.

Calendar Reform. Chamber of Commerce of the United States, Washington, D. C. A report of the chamber's committee on calendar reform presented at the tee on calendar reform presented at the chamber's recent annual meeting. Nine-

teen pages.
Radio Dealers' Stocks as of April 1,
Quarterly survey. Review of survey made
by the electrical division of the Dept. of

by the electrical division of the Dept, of Commerce,
Chart showing Comparative Trade by Types of Retail Outlets (Eleven Cities—1926). Women's Outerwear and Millinery and Milliner's Supplies.
Attitude of Independents toward Chain Stores. Bur, of Business and Government Research of the University of Colorado.

Research of the University of Colorado.

### Domestic Commerce, June 10

Chart showing Comparative Trade by Types of Retail Outlets (Eleven Cities— 1926). Boots, Shoes, and Other Footwear— Toilet Articles and Preparations.

### Domestic Commerce, June 17

Review of Preliminary Report on Confectionery Distribution Survey being conducted by the Foodstuffs Div. of the Dept. of Commerce.

Shoe Independent Stores' Business Methods. Review of study made by the Shoe Retailer, Boston, Mass.

### Domestic Commerce, June 24

Mortality of Independent Drug Stores in Mortality of Independent Drug Stores in Buffalo, N. Y. A chart and review of study made by the Bur. of Business and Social Research, University of Buffalo.

Merchandise Returns in Millinery Industry Analyzed. Review of study by N. R. D. G. A.

Progress in Automotive Wholesale Distribution. A compilation of statistical data concerning the problems confronting manufacturers distributing through automotive wholesaling outlets. Chilton Class Journal Co., 56th & Chestnut Streets, Philadelphia. Fifty-two pages.

Survey of the Food Shop and Delicates-sen Field, Display Publishing Co. Cincin-

nati. Sixteen pages. 1929 Year Book. Tables showing knitted outerwear production by classes of merchandise from 1899 to 1928, relative importance of states, trend toward greater investment, uses and distribution channels, waste in coning and back-winding, and other data are presented. National Knitted Outerwear Assn., 347 Fifth Ave., New York. Eighty-six pages.

Survey of Trade Practices in the Millinery Trade. The first of a series of three trade surveys conducted for the purpose of obtaining specific information on some of the most common trade abuses and sources of friction arising in dealing between buyof friction arising in dealing between buyers and sellers. This study was made in cooperation with the Millinery Assn., of America. National Retail Dry Goods Assn., Bur. of Trade Relations, 225 West 34th St., New York. Twenty-eight pages. Retail Grocers' Problems. A study of an old-line grocery store located in an Eastern city, made in cooperation with the National

city, made in cooperation with the National city, made in cooperation with the National Retail Grocers' Assn. By U. S. Dept. of Commerce. Government Printing Office, Washington, D. C. (Distribution Cost Studies No. 5). Twenty-five pages. (Free). The Voluntary Chains. The first of a series of reports dealing with the voluntary chain, which is referred to as a new alignment of the cooperation.

ment of retail grocers developed to meet the competition of "Regular" chain stores. American Institute of Food Distribution, Inc., 369 Lexington Ave., New York.

Eighteen pages.

By Far the Best from an Art Man's Point of View. The results of a survey made by the Bur. of Business Research. New York University, to determine which magazine in the women's field is making the most effective use of modern art and typography. Crowell Publishing Co., 250 Park Ave., New York.

Sixth Industrial Directory of the Com-Sixth Industrial Directory of the Commonwealth of Pennsylvania. A list of manufacturing, mining and other industrial concerns which operate plants in Pennsylvania, compiled from reports made to the Bur. of Statistics and covering the calendar description. year, 1927. There is a county classifica-tion of firms arranged by industries.

### Other Studies in June

Radio and the College Student-Review of a survey made at New York University in connection with this study and article appears in the same issue captioned "Radio's Place in Advertising"—Retailing, June 15, Fairchild Publications, Inc. 8 East 13th

St., New York.

Recent Economic Changes in the United
States—Report of the committee on recent economic changes of the President's conference on unemployment; Herbert Hoover, chairman; including the reports of a special staff of the National Bur. of Economic Research, Inc. Two volumes (\$7.50).

Circulation by Retail Shopping Areas A survey of the distribution of population and circulation of six women's magazines in the 683 major retail shopping areas of the United States. Thirty-five pages and six maps. McCall Co., 236 West 37th St., New York.\*

Short Cuts in Packing that Save Money. An Article based on a study by a committee of the N. R. D. G. A. Retailing, June

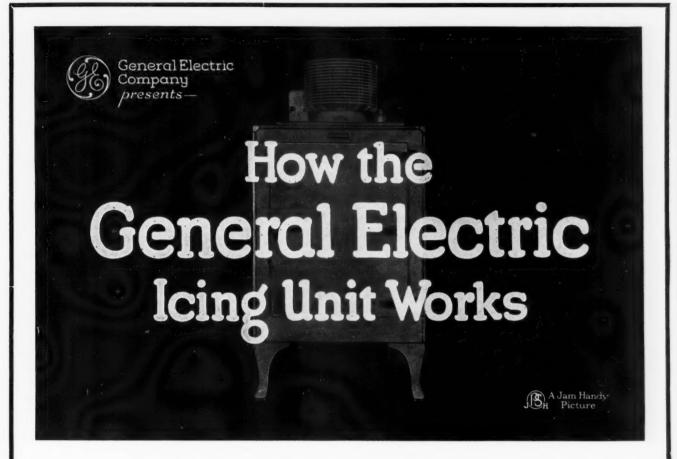
<sup>\*</sup> To be reviewed later. (Continued on page 46)

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## Making Cold Facts Interesting

When General Electric Co. decided to give the men a clear picture of what goes on inside their refrigerator, they engaged expert service to help them present their ideas.

Under General Electric supervision, the right motion picture for the purpose was planned and produced on schedule. Animated cut-aways of operating parts made it all clear.

The completed picture was shown at the national sales convention and at district meetings. It is now being used by distributors to train their men and to show to prospects.

Motion pictures of the right kind offer the clearest, quickest way to make effective impressions that carry conviction and supply proof.

Jam Handy Picture Service is organized to produce pictures that present facts and ideas interestingly. Fourteen years of successful experience has developed a skilled staff of over one hundred persons, highly skilled in making industrial motion pictures and other lighted pictures for sales education and service instruction.

On the technical side, Jam Handy Picture Service has the largest studios and laboratories in the world devoted exclusively to the production of commercial pictures, and is producing on a scale that gives you the benefit of big production economies.

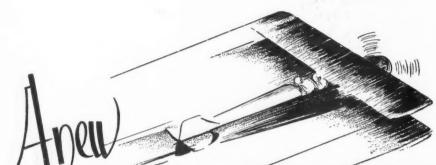
Every picture we have ever made has helped to accomplish the buyer's purpose.

## Jam Handy Picture Service

Jamison Handy, President

6227 Broadway, Chicago

NEW YORK, CHANIN BLDG.,—DETROIT, GENERAL MOTORS BLDG.,—CLEVELAND, HANNA BLDG.,—DAYTON, REIBOLD BLDG. REGIONAL SERVICE REPRESENTATIVES AT PRINCIPAL POINTS THROUGHOUT THE U.S. MOTION PICTURES—STILLS—PROJECTORS—ANIMATED DRAWINGS—SCREENS—SLIDEFILMS



## ALTITUDE IN NATIONAL ADVERTISING

OR the six months' period just completed, The Indianapolis News published 2,420,052 lines of paid National Advertising in its six-day evening issues. This is a gain of 243,720 lines over the highest semi-annual figures previously recorded. More and more, advertisers are realizing the *importance*, and the desirability of selling The Indianapolis Radius. Here, economy is assured because

The News . . . ALONE . . . Does the Job!



# The INDIANAPOLIS NEWS Sells The Indianapolis Radius

DON BRIDGE, Advertising Director

New York: DAN A. CARROLL 110 East 42nd St. Chicago: Lake Michigan Bldg.

VOL. XIX. No. 1 July 6, 1929 Published Every Saturday . . . .

## Sales Management

Publication Office: 420 Lexington Ave. New York. Phone Lexington 1760

The Weekly Magazine for Marketing Executives

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CATTS-PATTERSON Co., LTD.

SALES MANAGEMENT, INC.

420 Lexington Ave., New York Chicago Office: 333 N. Michigan Ave. RAYMOND BILL, President; PHILIP SALISBURY, J. F. WEINTZ, C. E. LOVEJOY, Vice-Presidents; EARL CONSTANTINE, Treasurer; T. J. KELLY, Secretary; PHILIP SALISBURY, Director of Advertising; J. B. KEENEY, Manager Qualitative Analysis of Media; M. V. REED, Eastern Advertising Manager; R. E. SMALLWOOD, Circulation Manager.

Subscription Rates: Single copies, 20 cents. Yearly subscriptions payable in advance 44.00 for fifty-two issues anywhere in the United States or its possessions or in Mexico. In Canada, \$4.25, and \$4.50 in foreign countries.

Subscriptions to SALES MANAGEMENT are dropped promptly when they expire.

# Rendering a Distinct Service to Its Advertisers

by building

### Reader Confidence

During a lifetime of persistent and consistent effort, the publishers of the

## Newark Evening News

have built up an almost unshakable Reader Confidence. Its position among the country's news journals is unique; it is accepted as an oracle in the HOMES of over 140,000 families of Newark and Northern New Jersey. Such Reader Confidence redounds to the distinct advantage of its advertisers. Its Pulling Power is acknowledged by local and National Advertisers, and by actual comparative lineage records ranks

### FIRST in NATIONAL FIRST in AUTOMOBILE FIRST in CLASSIFIED

### and SECOND in TOTAL ADVERTISING

among ALL the week-day newspapers in America.

And this, in a territory proved to be one of the richest and most populous in the United States.

### Newark Evening News

Always Reaches Home
EUGENE W. FARRELL
Business and Advertising Manager
215-221 Market Street, Newark, N. J.

O'MARA & ORMSBEE, INC.

General Representatives

New York - Chicage - Detroit

San Francisce Les Angeles

# The Market Basket

### Public Speaking for Salesmen

Twenty-five of the thirty Chicago salesmen (and several repairmen) of the International Business Machines Corporation have just completed a course in public speaking.

The course was undertaken at the suggestion of C. L. Hayes, Chicago manager, and practically all of the men remained at the office every Thursday evening for instruction under Prof. J. K. Edmunds of Northwestern University.

Each man has had to prepare a speech for each meeting—their delivery, ideas and construction being very conscientiously torn to pieces by the other members of the class. They have also had to learn twelve new words each time. The course ran fourteen weeks. Most of the speeches were on the company's own products. Mr. Hayes thinks the plan worked out pretty well. For companies who would like to follow it, however, he suggests that they make the men pay for the course and collect the money before they start.

### Burning Up Competition

Holmes Products, Inc., who have just started a new \$250,000 campaign in newspapers on their electric refrigerators, offer \$25 for each old refrigerator turned in for exchange on a new Holmes. No use will be made of the old boxes, says J. F. Holmes, president. When a pile of them has been collected they will be taken out and burned.

### Mail Order Automobiles?

The Gardner Automobile Company of St. Louis is going to manufacture an automobile which Sears, Roebuck & Company will sell for about \$500—lower in price, probably, than either Chevrolet or Ford. "Plans for production and distribution of the car are not completed sufficiently to be reported on at this time," R. E. Gardner, Jr., president, tells this magazine. Development work hasn't been completed.

Perhaps the new car will be an additional item in the Sears, Roebuck catalogue, or perhaps it will be sold through that company's increasing chain of retail stores. The former prospect is the more refreshing.

Imagine the expressman driving up to your door in your own new car, and, with a flourish of book and pencil, saying. "Sign here."

Perhaps the car will be delivered C. O. D. Money back if not satisfied. Or with the opportunity for exchange. "See here," you may tell the expressman, "I ordered my car in turquoise blue and they've sent a Chartreuse green."

### Antidotes for Sunburn

Crosse & Blackwell, who have been making Olde English marmalade and other grocery specialties for nearly two centuries and a quarter, have developed a new use for their vinegar. Before exposing yourself (to the rays of the sun) on the beach this summer, they advise you to take a vinegar rub first.

The sun-back bathing suit manufacturers are working hand-in-hand with Crosse & Blackwell and Unguentine in extending the market for their product southward.

### News Ties

The Wadhams Oil Company, Milwaukee, believes that too many national radio broadcasts are more "general" than they should be. To overcome it the company is broadcasting sports news events (in which they feel their auditors will be more immediately interested than in musical programs) and they are tying their dealers and service stations into each program. "An attempt is made to leave with the listeners only one or two salient facts about the company and its products," explains F. H. Casey, advertising manager.

Baseball games played by the local team of the American Association are broadcast daily through the cooperation of WTMJ, the Milwaukee Journal station. The names of four dealers are mentioned during each gameeight during each doubleheader. The opening announcement mentions the oil company's sponsorship and the products sold. Between innings the company is merely mentioned as sponsor. During game delays and at the end of the second, fourth, sixth and eighth innings brief announcements are made. The closing announcement features a Wadhams product.

-LAWRENCE M. HUGHES.



The dealer prefers

## THE BIRD in HAND

THE jingle of the cash register tells the dealer more about advertising effectiveness than all the investigations, surveys, charts and graphs you can devise. Invaluable to the space-buyer, they measure only potentialities; the cash register actualities. And after all, it is the bird in hand the dealer wants. Hence the significance of the window display reproduced here.

This window is typical of the thousands of window displays and other tie-ups dealers are making with Good Housekeeping's advertising pages. These tie-ups range from the elaborate department store "event" supported by pages of newspaper advertising to the simple window display of the corner grocer or druggist. Each is made entirely at the dealer's own initiative and expense. Good Housekeeping supplies *only* the poster shown in the window above.

The way in which dealers are making capital of Good House-keeping's advertising pages is convincing evidence that advertising in Good Housekeeping sells goods. We would be glad to give you the rather unique details.

## GOOD HOUSEKEEPING

Everywoman's Magazine

NEW YORK

BOSTON

DETROIT

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CHICAGO

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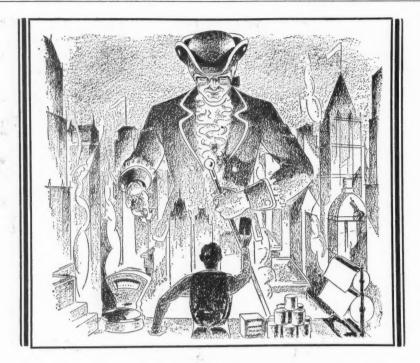
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# How huge New York buys its food:

ACH year Father Knickerbocker reaches down into his pockets for more than two billion dollars to pay his food bill.

But because he is big does not mean he is hard to sell. The way to sell him your brand of foods is pretty well outlined in the record of Grocery Products advertising in the New York Market during the past few years.

New York's one great evening newspaper has led all other New York newspapers in Grocery Products advertising for the past six consecutive years. And during 1928 this newspaper printed more food advertising than all the six-day morning newspapers combined, and 80% more than all Sunday New York newspapers combined.

Let us move up to 1929 . . . this same evening newspaper led all other New York newspapers in Grocery Products advertising during the first five months . . . and gained more Grocery Products advertising than any other

New York daily newspaper during the same period.

And it printed more Grocery Chain Store advertising than any other New York evening newspaper during the first five months of 1929 . . . and more than four times as much Grocery Chain Store advertising as all the New York morning and Sunday newspapers combined.

The newspaper that has proven so successful in selling foodstuffs to the greatest of American cities is the greatest of evening newspapers in America . . . the New York Evening Journal, going each evening into the largest number of homes in every income group throughout New York City and its wealthy suburbs.

This one great evening newspaper is big enough and strong enough alone to sell your products here . . . at a single advertising cost.

## NEW YORK EVENING JOURNAL

One of the 28 HEARST NEWSPAPERS read by more than twenty million people

NEW YORK: 9 East 40th St. CHICAGO: Hearst Euilding DETROIT: General Motors Building ROCHESTER: Temple Building

BOSTON: 5 Winthrop Square PHILADELPHIA: Fidelity Philadelphia Trust Bldg.

Member of International News Service and Universal Service Member of Audit Bureau of Circulations

## Sales Management

The Weekly Magazine for Marketing Executives

VOLUME NINETEEN, NUMBER ONE

NEW YORK, N. Y., JULY 6, 1929

## "Bank on the Pluggers—not the Stars—If You Have a Sales Job" Says Chrysler Sales Head

HERE is nothing mysterious about success in selling, it doesn't require brilliance, and the less hokum injected into the subject the better, according to J. E. Fields, who has done more than a little selling himself and who from the beginning has been in full charge of all Chrysler Motors sales.

"Once in a while a comet appears and everyone cries, 'Just look at that!' "Mr. Fields said. "The comet attracts attention because it is unusual, but it doesn't remain visible very long. In the meantime, the sun, upon which we depend for our very existence, continues to rise regularly every morning of the year and to do its work without attracting more than passing notice.

"So it is with salesmen and sales executives. Once in a while one attracts attention by doing something unusual, but he soon fades and is forgotten. Meanwhile, the regular producer, upon whom the sales organization depends for its very existence, continues to do his work. There is nothing particularly interesting about him, because he does nothing spectacular.

"I have known many brilliant salesmen and sales executives, but I have never known one who lasted very long or amounted to very much. As a rule, the brilliant one flashes once, then forever after tries to bask in his faded brilliance. On the other hand, I have known many steady plodders who had perhaps less than average ability, but who, nevertheless, won more than average success. Best of all, their

A leading automotive executive points out the dangers that lie in the tendency, on the part of some executives, to do something spectacular, to upset organization and throw old methods overboard just for the sake of creating action. Perhaps you will disagree with Mr. Fields—if so, write and tell the editors your own experiences with this problem.

An interview by D. G. Baird with

### J. E. FIELDS

Vice-President in Charge of Sales, Chrysler Motors Corporation, Detroit

success is permanent because they keep right on plodding.

"For my part, give me the man who has average ability, who is willing to learn, willing to work, and willing to do what he is told, in the way he is told to do it.

"That is commonplace and, because it is commonplace, there is nothing new about it. For the same reason, comparatively few men seem to care to meet such specifications. They think they must be different or do something different in order to attract attention. The old formula of hard work and common sense they think is obsolete.

"We hire a great many men in this organization. We have expanded rapidly and that has necessitated bringing in many experienced men. As a result of this experience, I would

say that the most common characteristic of new executives, whether in major or in minor capacities, is their belief that they should pitch right in and change everything. They think the way to demonstrate ability and to make a quick showing is to introduce new methods, or at least different ones.

"Method is important, of course, but application is even more important. One can accomplish at least something by conscientiously applying a poor method, but one will accomplish little by introducing a better method, then failing to apply it.

"Application is probably the most important factor of success of any kind. Someone has said something to the effect that genius is but an infinite capacity for taking pains. Inspiration is frequently confused with perspiration. Most of us know what we

should do to become successful, but we fail to apply ourselves to the task as we should.

'Take automobile salesmen as an example. They know the fundamental principles of selling. They know that one of the first of those fundamentals is a thorough knowledge of your product. But I dare say if you should approach almost any automobile salesman and ask him five essential questions about the car he thinks he is trying to sell, he couldn't answer three of them correctly. The manufacturer has gone to great expense to provide this information for him and he is frequently reminded of the importance of knowing his product, but he isn't interested. There is nothing that appeals to his imagination in a list of mechanical specifications. He would rather learn of some stunt or trick some brilliant salesman used to make a sale. Learning all about his product—and about competitive products, too-is perspiration and what he is looking for is inspiration.

### Automobiles Easy to Sell

"Automobiles are easy to sell, because everyone is interested. Whether one is prepared to buy or is able to buy, he is interested in the new model. He gladly listens to an intelligent presentation of the new features; he notices the new refinements. He gives the salesman a hospitable reception. He is favorably disposed before the salesman says a word. What an opportunity, then, for just ordinary, commonsense, matter-of-fact, conscientious selling!

'Sales executives have the same tendency. They aren't satisfied to apply ordinary common sense and attention to details. They prefer to do something spectacular. The new executive likes to fire a lot of the old organization and change all the old methods. He has to make a showing and he thinks the way to make a showing is to do things differently.

"We recently took over Dodge, as every one knows. When we did so, we naturally had to reorganize that company and coordinate its various activities with those of Chrysler. Not only so, but pruning of the Dodge organization was needed anyway. Any large organization requires occasional pruning. Yet we didn't go in there and fire a lot of people and change the Dodge methods. We didn't fire a single member of the Dodge sales organization. We shifted them around and fitted them in where they would be most useful in the new set-up. Some left for one reason or another and were not replaced. As a result, the personnel has been greatly reduced

and large savings have been effected, but there has been no confusion and nothing spectacular about the reorganization.

"New methods are all right, provided they are good and are properly applied. Conditions change and methods must be changed to meet them. But nothing has yet been found to take the place of common sense and diligent application of fundamental principles.

"Close attention to little details may be drudgery, but it is essential. During the past two years I have been

J. E. Fields, in charge of sales for Chrysler, Dodge, DeSoto and Plymouth cars and Fargo trucks, was an automobile dealer when Hugh Chalmers appointed him assistant sales manager. Later he was, in turn, sales manager for Hupp and Liberty, returning to Maxwell-Chalmers in 1922 as Chalmers sales director. He was vicepresident in charge of sales in 1924 when Walter Chrysler gained control of that organization. He is now a director of Chrysler Motors and president of DeSoto Motors.

traveling a good deal to study the problems of dealers all over the country. I call on some of the big dealers, but most of my time is devoted to the little dealers. The big fellows can take care of themselves. They have the organization, the experience, the finances, and the territory to insure their success. It is the little fellow who needs help. We must understand his problems and help him meet them. In doing so, we raise the national average of all our dealers, because he is the one holding the average down.

"So with the product. It is easy to make a product that is hard to sell. Many manufacturers take the line of least resistance and produce a product without regard to what people want. Then they ride the sales department because it doesn't sell. A better way is to produce what the people want and so reduce sales resistance. The remarkable success of this corporation has been due chiefly to producing the kind of motor car people want. Then, as public taste and preference change, we change our products to suit. We don't produce a car, then try to make the people like it; we learn what the

people like, then produce a car to meet the demand. No change in the appearance or operation of any model can be made without the consent of the sales department."

Mr. Fields "practices what he preaches." His own success has been due primarily to his application of the fundamental principles which he advocates and applies as assiduously as ever. He still insists on keeping in close touch with the multitudinous details of his department, notwithstanding the fact that it has now grown to such proportions that it is almost humanly impossible to do so.

Walter P. Chrysler has been quoted

as saying:

"As head of the entire Chrysler selling organization, Mr. Fields has literally accomplished wonders in sales administration, dealer assistance, formulation of company policies, and many other activities which have been thrust heavily upon him by the continued rapid strides which the company has made.

### Praise from Chrysler

"His contributions to the automobile industry generally and to the Chrysler organization in particular have been instrumental in saving the American people millions of dollars in better sales methods and finer service."

Yet there has been nothing whatever spectacular about Mr. Fields' methods and he has never been a salesman or sales executive of the "brilliant" type. He began selling at the age of nineteen, when a wholesale farm implement house with which he had started as office boy sent him on the road. Later he joined the National Cash Register Company as a salesman and achieved "more than nominal success."

In the meantime, he had become interested in the automobile business and had invested some money in a dealership with a friend who knew the mechanical part of the business, but who needed some assistance in selling. When this became apparent Mr. Fields resigned and became actively engaged as an automobile dealer. He sold Buick and Chalmers cars.

Some two years later Hugh Chalmers prevailed upon Mr. Fields to become assistant sales manager of the Chalmers. Later he served as sales manager for Hupp, then for the Liberty, then returned to Maxwell-Chalmers as director of Chalmers sales in 1922. Arthur E. Barker, vice-president in charge of Maxwell-Chalmers sales, died and Mr. Fields became general sales manager. A few months later

(Continued on page 41)

## Unusual Advertising Turns Waste Product into \$3,600,000 Business

As told to Lawrence M. Hughes

### BY LOUIS H. REGENSBURG

President Clinton Carpet Company, Chicago

DAPTING to constructive purposes a product which has formerly cost the nation's tanning industry hundreds of thousands of dollars to destroy, and by promoting it through intensive advertising, the Clinton Carpet Company has built up for Ozite, a base for floor coverings, an annual business of \$3,600,000 in the past five years.

In this expansion, from a merchandising standpoint, two things are significant. The first is the fact that we have consistently budgeted our ad-

vertising on a basis of 8 per cent of anticipated sales (even before we had any sales at all!); the second is that after five years of intensive effort we found that only 4 per cent of our potential market has been covered.

In 1923 the tanning industry was confronted with a serious problem. No constructive use had been found for cow's hair, taken from the hides, and because the hair killed vegetation when discarded it usually had to be destroyed by acid. This cost individual tanners from \$6,000 to \$50,000, a year. Chemists went to work to find a marketable use for this hair and Ozite was the re-

Under my direction the Clinton Carpet Company was formed as a subsidiary of the

One of the most spectacular pieces of printed salesmanship used to see hotel prospects was a long roll which pictured more than 500 hotels already using Ozite.

American Hair & Felt Company, the stockholders of which are all tanners. I obtained an initial advertising appropriation of \$100,000.

The hotel field appeared to be the market of least resistance. The problem of protecting carpets from wear, and at the same time of giving moderate-priced carpets the "feel" of more expensive ones, seemed to us to offer unusual opportunity. For the first four years we concentrated on this volume "contract" market before we attempted to enter the retail field.

Our first job was to sell Ozite to hotel operators. To do this, we had to sell them an idea as well as a product, because carpet cushions at that time were entirely unknown. We sent a different circular every month to every hotel operator. We also used the trade papers in this field.

We have endeavored to keep our monthly mailings different. Each sought to attract the prospect from a different standpoint. One mailing was "A Five-inch Shelf of Books for Hotel Men," each containing a sample

of Ozite and a summary of one of its advantages. The titles of this series were: "Down Trodden," "The Carpet Murder Mystery," "The Softer Side of Hotel Life," "French in Easy Lessons," "A Modern R i p Van Winkle," "Unknown Battles of History," "The Death of a Rug Weaver," "Confessions of a Cloak Room Girl," and "How to Operate a Hotel for Profits."

Probably the most pretentious mailing piece of this series was a partial roll call of users of Ozite. It listed pictorially on one roll some 500 hotels in practically every city in the country which were using Ozite.

Another showed a picture of an elephant trampling on carpets with the heading, "It's no circus for your carpets." This was die-cut so that the head of the elephant protruded through the cover of the circular. On the inside there appeared a herd of elephants with the legend, "Tramp—Tramp—Tramp—across your carpets!"



In the trade journals we were running a series of advertisements featuring prominent hotel operators. The hotel field is very closely knit. There almost everyone knows everyone else, and personalities are far more important than in almost any other industry. To follow up these trade journal advertisements, we used a torn broadside. This was literally true. We printed the broadside and then tore it in half! A brief letter attached to the broadside read as follows:

"Do you tear up most of the advertising mail that comes to you? If so, we've saved you that trouble with the enclosed circular. It's already torn.

"But if you're interested in something that can save you hundreds of dollars a year . . . that can improve the atmosphere of your house unbelievably . . . something that is used and vouched for by most of the hotels of this country. . . .

"You'll find it worth the extra trouble of putting the

trouble of putting the circular together again and reading its message."

The circular itself was extremely simple; it required only one glance for the hotel man to see the familiar name and faces, and even if he did not read our copy, the important part of the message registered.

One of the greatest difficulties in this field is caused by the tremendous amount of mail which

even the smallest hotel receives. A great deal of it never reaches the manager—his secretary may either destroy it or may refer it to some lesser authority such as the housekeeper, steward or purchasing agent. Our principal endeavor is to get past the secretary's desk. To do this, we frequently package our material in a novel way.

We do not ask for direct replies. The reason for this is that many people to whom we send our advertising are already using Ozite throughout their hotels. Since hotel managers, however, are constantly changing from hotel to hotel, it is part of our job to keep selling them, in the event that they open a new hotel or remodel an old one. We are not interested in having them write direct to us for the additional reason that Ozite is sold by practically every floor-covering distributor, and in no case is sold direct by us.

At the end of four years we found that in the hotel market we had become well entrenched. Ninety-one per cent of our product was in carpet use, of which 80 per cent were in hotels and other contract work.

And yet our market was still 96 per cent from the saturation point. The domestic field has not yet been touched upon.

Last year we started consumer advertising. We went into magazines, but to do this we had to employ direct mail and business paper advertising to dealers on an equally intensive scale.

"How do you play the game of



The Clinton Carpet Company bases their advertising appropriation on 8 per cent of anticipated sales. Here are the interesting results of that policy over a period of five years:

	Appropriation	Anticipated Sales	<b>Actual Sales</b>
1925	 	\$1,750,000	\$2,100,000
1926	 . 165,000	2,062,500	2,700,000
1927	 . 190,000	2,375,000	2,780,000
1928	 . 240,000	3,000,000	3,250,000

turnover?" we asked in one mailing piece to dealers—which provided a red and black striped wheel on which Ozite appeared between alternate stripes of "carpet," "rug" and "linoleum." They were asked to "spin the wheel of turnover" and told that the Ozite stock in an average store is turned over twelve times a year!

"Ozite doesn't come in patterns," we emphasized. "It isn't subject to seasons, to fads or to fluctuations."

Another piece urged them to "let customers know you handle this product. Demonstrate it on your floor by letting them walk on it. Use Ozite signs in your window and on your floor.

"Then coach your salesmen to sell an Ozite cushion with every rug. Show them how they can sell extra cushions for old rugs in customers' homes."

We now have 7,000 dealers and fifty jobbers. In the five years our sales have grown from scratch to \$400,000 a month. We are spending this year \$280,000 in advertising

The success of our consistent 's per

cent" appropriation is illustrated by the following figures. In 1928, when our appropriation was \$240,000, our sales were \$3,250,000; in 1927, when it was \$190,000, sales were \$2,780,000; in 1926, when it was \$165,000, they were \$2,700,000; and in 1925, when it was \$140,000, sales were \$2,100,000. Although the growth has not always been phenomenal, it has been consistent.

It is too early yet to tell how far we shall go in our consumer campaign. We are still in the process of educating people to use Ozite under their carpets and rugs.

In this campaign we emphasize particularly the fact that an Ozite base gives a "luxurious feel" to the most inexpensive carpet. We mention also that Ozite is made to last "forever," and that it has been put through an acid test against moths.

An interesting incidental feature is the fact that "the more you use it the

thicker it becomes."

Today there are 23,-000,000 yards of our product in use. The sale in yardage annually exceeds 6,000,000. The product is guaranteed and we have expanded by selling exclusively through carpet and rug dealers and jobbers and by endeavoring to keep on good terms with carpet and rug manufacturers.

We have had to watch our pennies. The first \$100,000 for advertising I paid for out of my own pocket. Even at present the office staff of the whole company, directing the advertising and coordinating the work of seven factories, consists of only twenty-nine people. We have only seven factory sales representatives.

We have cut down everywhere but in advertising. We shall never economize there.

### Postum Adds Oysters

The Postum Company, Inc., has acquired the North Atlantic Oyster Farms, cultivating and marketing oysters at several Long Island, Connecticut and Rhode Island points. W. H. Raye, president of the North Atlantic Oyster Farms, will continue in active charge of the business, which will be operated in conjunction with General Seafoods Corporation, recently acquired by Postum and affiliated interests.

### Scripps-Howard Expands

The national advertising department of Scripps-Howard Newspapers has opened an office in Buffalo, at 195 Main Street, in charge of Frank E. Rutledge. Mr. Rutledge has been with the national advertising department in New York for the past two years.

## These Wholesalers Pay Salesmen on a Basis of Net Earned Profit

HE policy of paying salesmen a percentage of the earned net profit on their sales appears to be gaining in favor, particularly among wholesalers, numerous notable advantages over other compensation plans in more general use are claimed for this arrangement by those who have tried it.

The plan is not a new one, as so many seem to think. At least one rather large employer of sales-men, the William Ed-wards Company, one of the largest wholesale grocery concerns in Cleve-land, has used it for the past thirty years. This wholesaler's leading competitor, the Weideman Company, employs the same plan, with minor differences.

Up in Menominee, Michigan, the Carpenter in Menominee, Cook Company, another wholesale grocer, profit-sharing found a

plan by far the most satisfactory arrangement for compensating salesmen.

Over in Kalamazoo, Michigan, Edwards and Chamberlin, hardware jobbers, have found such a compensation plan the solution of many probwhich formerly confronted

In Indianapolis, August Buschman & Sons, wholesale plumbing and heating supplies, have worked out such a plan which is said to have proved very helpful in every respect.

There are many others, but these are representative and sufficient to illustrate the principal variations of

In essential features these plans are quite similar, but all differ in details, such as whether salesmen are given a drawing account, the percentage of net profit paid them, deductions made before figuring the salesman's share and when payment is made. This would seem to indicate



Salesmen like these compensation plans based on profits because they have a definite incentive to do their best work. and they are rewarded exactly and promptly in accordance with performance. The wholesalers like them because they cut turnover and sales costs.

### BY J. F. KERWIN

that no such plan can well be adopted in toto, but must be fitted to specific

The policies employed by the two wholesale grocers in Cleveland are almost identical, however, and for the purposes of this presentation may be treated as one.

Both of these wholesalers feature their own brands and do considerable importing, although they carry some manufacturers' brands also. cover Northern Ohio and Western Pennsylvania rather intensively. Each employs about one hundred salesmen.

Both cost and selling prices of all goods are listed in the salesmen's catalogue and there is a cost column on the order form which is filled in on the house copy. The shipping weight of all goods by the usual selling unit (case, carton, barrel, etc.) is also given in the catalogue and in the back of the book are classifications and freight rates to all towns where the company

Salesmen's compensation consists entirely of a percentage of earned net profit. By earned net profit is meant gross profit, less freight, breakage, returned goods, bad debts and cancellations.

A handling charge of 1 per cent is deducted from the gross profit before the net profit is figured.

Salesmen are paid 25 to 45 per cent of the net profits on their sales, depending on territory. As freight is deducted from the gross profit before the salesman's share of the net is figured, the farther from headquarters one's territory is situated the higher percentage of the net he Cleveland city salesmen naturally are on the smallest percentage

Salesmen are paid monthly, but one month's pay is held back to allow time for tabulating earnings, and guarding against cancellations, bad debts, and so on. They are noti-

fied each month of their previous month's earnings as soon as these have been determined, usually about

the middle of the month.

Salesmen are penalized for carrying poor credit risks. They are charged the same percentage on bad debts as they are paid on net profits, but the percentage charged on bad debts is figured on the total amount of the bill due, which of course is several times as much as the net profits on which their remuneration was paid.

Salesmen are privileged to open new accounts and they do most of the collecting, according to C. N. Kirkpatrick, sales manager of the William Edwards Company, although the house has a credit manager who passes on all ap-

plications for credit.

The credit manager may reject an application for credit recommended by a salesman," Mr. Kirkpatrick said, "but he never accepts or continues an account disapproved by a salesman.

(Continued on page 40)

# Southern Pacific Retrieves a Slipping Market through Localized Advertising BY C. W. GEIGER

OUTHERN PACIFIC, with virtually all other roads, has faced a steady decrease in passenger business since the advent of the automobile. This railroad not only has a large transcontinental business, but also a widespread local service on the Pacific Coast where conditions particularly favor the automobile. The increase in number of privately owned passenger automobiles in California, where Southern Pacific has greatest concentration, has been 192 per cent from 1921 to 1928 as against 131 per cent for the entire country. From 1920 to 1926, Southern Pacific's passenger business showed a decrease each year.

In 1926, the advertising policy was revised, a more aggressive advertising program was undertaken, and since then the decrease has grown less each year. Last year, the decrease was less than that of many other roads.

Southern Pacific is in much the same position as the manufacturer of a number of articles, each competing with sole products of other manufacturers. Such a manufacturer, seeking to advertise his entire line, is at a disadvantage with competitors who concentrate on single products.

Southern Pacific, in the transcontinental phases of its business, has a variety of routes. It must compete with other roads having single routes.

Formerly, Southern Pacific's advertising efforts were diffused. The company attempted to sell individual routes and attractions separately. The result was that the public had no clear picture of Southern Pacific service. To the reading public, Southern Pacific was one day the Sunset Route, another day the Overland Route, another a railroad serving the Apache Trail, Lake Tahoe, etc.

In considering what should be the main theme of Southern Pacific's national advertising, as well as other advertising to induce transcontinental travel, it was decided to turn its liaSouthern Pacific was finding it difficult to sell its wide variety of services against the competition of auto travel. Then came a change in advertising policy through which the "department store" style of copy with a distinct local slant, was used in a heavy newspaper schedule. Since this policy was inaugurated, sales have been improving every year.

bility into an asset—to simplify and unify the attack, to sell the railroad as a whole, instead of piecemeal, and out of this was evolved the selling message "Four Great Routes, Go One Way, Return Another." Later, it was decided to broaden the destination appeal from California to include the entire Pacific Coast, which the company's lines serve thoroughly. Now Southern Pacific's main advertising selling talk is "Four Great Routes—Go One Way, Return Another—See the Whole Pacific Coast."

This new plan not only knit together the separate routes, but added an exclusive selling point to each.

an exclusive selling point to each.
In former years, Southern Pacific, like other transcontinental carriers, was content to advertise California, sharing in what business developed. With the flood of community advertising about California and the Pacific Coast, there is less need to stimulate desire to go to the Pacific Coast. On the other hand, with the development of the automobile, the competition of the water carriers, etc., there is increasing necessity to sell rail transportation service, and in the case of the individual railroad, to sell its own rail service. Southern Pacific's object is, then, not only to sell the attractions on its lines, but so to sell its own service that it will benefit instead of aiding competitive lines and competitive forms of transportation.

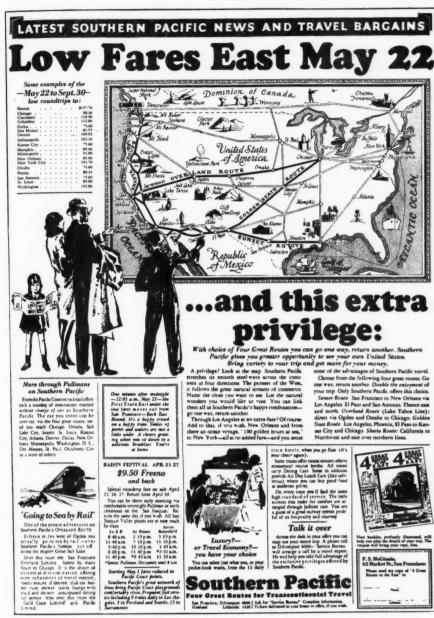
National magazines supplemented with considerable newspaper advertis-

ing in the territories of the company's general agents formed the basis of Southern Pacific's campaign.

The territory served by Southern Pacific is rich in historic and romantic interest. Routes follow pioneer trails—trails of the padre and conquistador, of the early day scout, of the Fortyniner and the emigrant train. To give attention value to its advertising, provide reader interest, and add another solicitation argument, Southern Pacific seized this historical and romantic background as a supporting theme in its advertising. Tied in with all advertising of attractions on its lines is the story of Southern Pacific's service.

Careful effort has been made to achieve uniformity in style and treatment so that Southern Pacific advertising may have character of its own. This uniformity of style has been followed in the company's booklets, posters and other advertising matter.

"Our major efforts are not limited by any means to meeting direct competition" said F. S. McGinnis, passenger traffic manager. "Hundreds of Americans travel to Europe annually because the unparalleled scenic resources of America have not been thoroughly sold. This is our big job. In an advertising way we have tackled this problem by supporting the national advertising of large community groups in our territory, and by tying our own advertising efforts in with these communities and national park



Prior to 1928 local advertising stressed single sales points of the road; now the "department store" style copy, in larger size space, sells the road as a whole.

companies. We have not limited ourselves merely to territory and attractions on our lines, but have sought to foster travel in the United States in a broad way.

"Much of our local advertising effort is devoted, also, to the development of new travel dollars through advertising, pointing out attractions of week-end and vacation trips, showing with definite illustrations of schedules and trains how easily and conveniently trains can be used. We have dwelt on the ideas 'Travel by Train . . . Save Time, Money and Energy . . . Sleep as You Ride . . . Arrive at Your Destination Fresh and Ready for Business or Pleasure.'

"In all of our advertising we have abandoned the old idea of merely get-

ting display for the name Southern Pacific. We are putting salesmanship into it. The advertising has been made definite and localized to meet peculiar conditions in each community where it is placed. Our leading train or trains have been made the headliners in each city or town where the advertising appeared; a brief selling talk pointing out such appealing features as convenient leaving and arrival times has been given. Heavy headline type has been used for advertising reductions of fare and for new developments. Most of the advertisements have been well illustrated."

Southern Pacific's local advertising is responsible for one of the most interesting developments of railroad advertising today, the evolving of a department store type of advertising which sells the entire railroad service. In this, of course, Southern Pacific is following out the theory adhered to in its national campaign—that it is better to sell the railroad as a whole than bit by bit.

In newspaper advertising, Southern Pacific must sell its service to specific destinations via its four routes, and to points served by its network of lines on the Pacific Coast; must sell its special excursion fares, its motor coach service, its steamer service and other special services. The advertising must be timed closely with special events, changing schedules and seasonal travel trends.

Prior to 1928, in local advertising it was the practice to stress by single subjects; each ad was devoted to only one phase of the company's passenger service, such as summer fares East, local train service, a special excursion fare, etc. With highway competition constantly increasing, with Southern Pacific extending its motor coach system, and the increasing frequency of special bargain fares, the advertising appropriation was divided and redivided, shrinking the size of the ads in order to cover each subject. Their size had to be moderate, two-column eight-or-ten-inch ads for the most part. These competed with half-page and page ads.

### Travel Department Store

Therefore, the new policy brought much larger newspaper ads in principal cities on its lines, covering the entire service. With headline and illustration, they feature some one phase, and in boxes and under different heads, sell other phases, such as coach fares, sleeping car and transcontinental service.

The department store style of advertising is particularly adapted to Southern Pacific, for it is a department store offering a large assortment of travel facilities. No single subject could give an adequate impression of the variety of facilities offered.

Frequency of insertions was cut down from several times to once a week, but the copy gives a complete picture of Southern Pacific, has great attention value and has brought results. Response to subordinate advertising under small captions indicates the public gives them more than a passing glance.

The department store type of advertising not only has flexibility as well as attention value, but it gives opportunity to bring interesting items to public attention. Price, institutional and selling copy all are included.

One noteworthy feature of Southern Pacific's advertising effort has been that of getting the public to pay cash for an advertising message.

It was quite natural that one of the first moves in the advertising campaign on the Four Great Routes idea was to issue a map showing these routes. A map was prepared—not the usual railroad map, but a pictorial map done in antique style-showing the four routes and their principal attractions. Cartouches around the map illustrated scenes in the history of the Southern Pacific and the territory it serves. The maps were sold for twenty-five cents each, and more than 10,000 were sold in the first six months. The map has been extensively used also in publication advertising.

To meet the necessities of destination appeal advertising, Southern Pacific issued a pictorial book designed to promote travel to California. This book has sufficient popular appeal to sell it to the public. It has an attractive cover design showing a representative bit of California's rugged coast line, in color, and done in modern style, while it is made up of full-page photographic reproductions of California's chief points of historic and scenic interest, with very brief captions. More than 21,000 copies have been sold by the railroad, and, since no restrictions are placed on its sale by outside firms, an additional 27,000 copies have been sold in that way. Similar view books have been or are being prepared for each of the company's four transcontinental routes.

However, the company has not abandoned free distribution of destination appeal advertising material as an essential part of its advertising plan. This material, instead, has been carefully revised. For example, Southern Pacific's "California for the Tourist" booklet, distributed for years, was thirty-two pages in size with a great deal of reading matter in addition to illustrations. This booklet was radically revised recently, being cut to sixteen pages with almost 50 per cent reduction in cost. Now it has only reproductions of photographs and maps with captions. The maps are pictorial, showing how to reach California via Southern Pacific Lines, and giving an idea of its attractions.

### rights to his trade-mark and has to rename cars shipped into the territory.

Many cases indicate Americans are prone to assume that prior use of marks identifies them as exclusive owners all over the world, and often the trade-mark "pirate" unwittingly reminds American manufacturers they have been sleeping on their rights. The general rule as to prior rights in this country holds only in the United Kingdom and some countries of Europe and Asia, where protection is afforded on the common-law basis that the first user of a mark is entitled to its exclusive use within the classification of his products. In some countries, however, it is necessary to prove ownership of a mark by registration in order to prosecute an infringer.

In practically all countries of Latin America and a number in Europe and other parts of the world, the first to register a mark is considered legal owner, and the fact that another can establish prior use without registration is of no value in prosecuting in-

### Should Register First

Regardless of which bases a foreign government has selected to establish registration laws, American manufacturers should register their trade-marks before introducing goods into other countries or those in which they anticipate selling their products.

The fact should be borne in mind that in many foreign countries there is a tendency to take advantage of the popularity of American goods. In many cases reported this tendency is plain deception, as in the phrase, "Made in U. S. A." In others, American origin is suggested by devices, as, for instance, the European manufacturer who put men's collars in packages printed with the name and portrait of a celebrated American aviator and the flag.

Such cases are considered an infringement of American exports generally, and the Department of Commerce acts against them directly and usually with prompt effectiveness. However, work is often hampered and delayed by the failure of manufacturers to protect their trade names and

marks.

This is found in numerous recent instances where famous American products are so closely imitated in package appearance as to deceive many purchasers, with consequent heavy losses. It has been reported that a manufacturer in South America is imitating the package of a popular American cigarette so closely as to deceive practically all its smokers. Investigation has indicated that little can

(Continued on page 44)

## Trade-Marks in Foreign Fields Endangered by Legal Neglect

BY JAMES TRUE

ESPITE frequent warnings of the danger in neglecting to protect industrial good-will properties, pirating and imi-American trade-marks and labels are rapidly increasing in foreign countries. During 1926 approximately 100 such cases came to the attention of the Division of Commercial Laws of the Department of Commerce. In 1927 the number increased to about 590, and in 1928 nearly 2,000 cases were recorded.

This not only means that hundreds of manufacturers are losing foreign business and prestige because of carelessness, but also that American exporting is being materially injured. The condition is surprising when in practically all foreign countries trademarks and labels may be protected with little trouble and expense.

Even to manufacturers, exporting goods for years into countries where their trade-marks are not registered, without losses due to infringement, there is danger of losing all rights to protection eventually. No country will register as a trade-mark a generic word or phrase. Many American products

are entirely new in foreign countries and marks identifying them naturally assume a generic meaning. From Cuba a case of the kind was reported recently in which registration was refused on the ground that the mark was a household word. Years ago, when the owner of this mark entered the Cuban market, registration would have been a simple, inexpensive process; now it appears protection is impossible and the mark is anybody's

It is not uncommon for American manufacturers to make arrangements for foreign sales representation, placing trade-mark registration in the hands of agents. This is seldom advisable. A typical case was reported by the manufacturer of a well-known automobile. The car had been sold successfully for several years in a South American country, and the manufacturer thought it time to protect his good-will interests. When he attempted to register his trade-mark he found his agent had already registered the mark in his own name. Through failing to safeguard his property rights properly, the manufacturer has lost all

## Sells 5,345 Gas Refrigerators Without One Cold Canvass Call

OUSEHOLD specialty sales managers, faced with the ever-increasing cost of selling via the elaborately organized route of cold turkey canvassing, might well consider methods used to obtain leads by the Consolidated Gas Company of New York, in establishing a record for two years of Electrolux gas

### BY HERBERT KERK

The Consolidated Gas Company of New York during 1928 set the remarkable record of selling onesixth of all the gas refrigerating machines sold in the United States, entirely through leads developed according to the plan described in this article. Perhaps you can increase the productivity of your salesmen by adapting their methods to your business.

> of 800 per cent, because 1,125 customers represent about one fortyeighth of 60,000,000—the number of metered gas customers for the whole

The increase of the second year's sales over the first was 639 per cent with 1927 sales equaling over 836 and those for 1928 amounting to 5,345. Already for the first five months 1929, the poorest of the year, since the peak is reached in July, the Consolidated Gas Company has sold:

_			- 4		- 4	
January						572 refrigerators
February						490 refrigerators
						1,214 refrigerators
						1,395 refrigerators
						2,503 refrigerators

Total .........6,174

This total is already 115 per cent of the 1928 total.

This outlined record represents another achievement. In the two years the gas refrigerator has been sold by the Consolidated Gas Company of New York, its dollar sales have netted the merchandising department almost as much as the gas range, the largest item and a staple for thirty years. The 1929 dollar value for the gas refrigerator will far exceed that of the gas range, if its rate of selling for the first five months of this year continues according to Nils T. Sellman, assistant secretary, in charge of all sales.

How leads were developed and the use made of them is better understood if the company's selling organization

is explained.
"Refrigerators are sold wholesale to the building owner, and retail to the homeowners," Mr. Sellman said. "In Manhattan and the Bronx, the build-



ing sales are by far the largest (85 per cent building and 15 per cent retail) with the reverse true in Westchester County. Not only is there a profit in the sale of the refrigerator, but there is added business in the load it builds. This is particularly true and advantageous to the company in the case of the small apartment dweller whose use of gas for his range hardly pays, and the added load of \$1 to \$2 for the gas used by the refrigerator turns this unprofitable load into a profitable one.

"Selling owners and architects of new building projects is a special force of four salesmen. The same number goes after completed apartment buildings. Seven more salesmen handle nothing but retail trade. In outlying districts, such as Westchester and Queens, there is not this specialization and, through subsidiary sales forces, both the building and the retail sales, as well as all electric and gas appliances sales are handled by the same men.

### Selling Non-Seasonal

"The building sales force contacts both builder and architect, and for each division of the whole sales organization, specialized sale effort and training is required. The salesman operates on salary and commission. For the good salesman commission represents the largest part of his income. One salesman sold 615 machines to builders in three months' time, for instance. All salesmen are kept on through the dull as well as the good months. The increase in sales with each succeeding month has made selling practically non-seasonal, taking care of by increased volume what would ordinarily be a slump. Supporting the sales force is a service organization of seven outside men, seventy installation testers and three laboratory engineers. This force is constantly added to each year by a training course.

"Leads keeping this sales force busy for two years were secured from the following sources: newspaper advertising, direct mail, plumbers, employes, and building and newspaper real estate reports. A cooperative newspaper campaign in the metropolitan area was launched by these gas companies serving the district: New York and Richmond Gas Company, Brooklyn Union Gas Company, Consolidated Gas Company, Public Service Company of New Jersey, Kings County Lighting Company, Westchester Lighting Company, Electrolux, Inc., the manufacturers, also participated. Leads were not specially sought in this campaign of large space advertisements, and there-

fore few coupons were used. The copy was intended to act as a background for general sales effort.

"Direct mail references to the refrigerator were made in a few of the year's monthly billings. When these offered a booklet and with it a request-for-salesman's call card, one of every five of these leads resulted in a sale as against one sale of every twenty inquiries when no explanatory booklet was read by the inquirer.

"Through thirty-five plumbers whose size and showroom arrangement make possible a fine display of a full line of refrigerators, many leads were secured. These plumbers in some cases sold direct and earned the full agents' commission-from January to the end of April of this year sixty-nine refrigerators were sold by these dealers. In certain instances, the specialist salesmen of the gas company were called in. All the other plumbers throughout the city were supplied with placards for window display and offered a standing commission for leads they might stir up in calls and inquiries. Over the two-year period, one of every ten of these leads has resulted in sales. If any of these plumbers should sell a machine through his own efforts he was entitled to the full agent's commission.

### Employes Furnish Leads

"Another source of leads was employes of the company. Through announcements in house organs, talks, and bulletin posters, a fixed bonus arrangement (the same for all sizes of the refrigerator) was given any employe for a lead which resulted in a sale. Regular showroom salesmen are offered a similar bonus for leads they turn over to the special retail sales force. Some of these floor salesmen have averaged a lead a week which has resulted in a sale.

"In turning in leads, both employes and plumbers fill out a simple form in triplicate, one copy for the employes' file, another for the salesman who is to follow up, and the third for the salesman's office manager. In the plumber's form, which is larger than the employes, space is left for the plumber's business card, otherwise the forms call for the same information. As soon as a lead comes in, it goes to the refrigerator division where it is immediately checked with prospects.

"Most retail leads brought in by employes are not already found on the prospect list of the sales force. An average on follow-ups was one sale from every six leads. In the first four months of 1929, approximately 245 leads have been developed by employes.

"In the case of building job leads, few leads are new. Two notable ex-ceptions to this, one of leads brought in by an employe in the construction department which resulted in a sale of 296 refrigerators and one of a lead from another employe which amounted to eighty machines, indicate the value of offering an incentive for each employe to keep his wits sharpened for possible business in closely followed up sales work such as the building division, where leads develop from the building reports and announcements of new buildings or changes in the newspaper real estate sections. An immediate follow-up of these leads, plus constant contact with leading builders and architects, has kept this department more than supplied with

### Installations in Groups

"Close contact with builders and architects, plus concentration in districts, has resulted in spectacular chains of sales. On the pin map of the sales territory, installations are bunched in groups throughout the city. This happens not only because new building takes place in booms in different sections of the city, but also because the building department salesmen have made it a point to use the adoption of the refrigerator by one builder a sales tool to get business from his neighboring builder. In a lower section of the Bronx, a close concentration on one section has resulted in the sale of 844 refrigerators since November, 1928. In this district, the salesman got his wedge in when he convinced a builder to use gas refrigerators instead of twenty electric refrigerators. With the contract from this builder, the salesman approached another builder two blocks away and convinced him to equip his new apartment with 126 gas refrigerators. The next buyer in the neighborhood purchased 225 gas refrigerators, followed by 248 from another, 185 from another, and forty-one from still another, all of these builders being near, and all acting in part upon the decisions of their local competitor. The first builder in the neighborhood, who had already installed electric refrigerators, before the salesmen got to him, is so convinced by what his competitors are doing that he is installing twenty gas refrigerators in one of his old buildings not mechanically refrigerated."

W. J. Byrnes, former director of research of the business survey department of the Chicago *Tribune*, has been appointed manager of the business survey department. Vernon H. Pribble has been placed in full charge of the activities of WGN radio station, which is controlled by the *Tribune*.

## Dallas' First Year of Advertising Attracts Record Number of New Enterprises

BY JULIAN CAPERS, JR.

SERVE THE GROWING SOUTHWEST MARKET FROM DALLAS THE CENTER \*

Community advertising campaign results are difficult to measure—but here is some concrete evidence of how handsomely the first year's advertising paid for Industrial Dallas, Inc. Far more new business enterprises were established in Dallas last year than in either 1926 or 1927.

◀HE establishment of new business enterprises is one of the best indices of the prosperity and progress of any growing community, for it offers a close check upon one of the most vital factors in a city's growth, the ability of residents to make a fair profit from business

The city of Dallas, after a year's thorough test, is congratulating itself upon a method which has resulted in virtual doubling of the rate of the establishment of new business enter-

The method is one which doubtless can be adapted to the uses of many other cities. It consists essentially in a comprehensive, sizable, wellplanned and well-followed-up national community advertising campaign.

The story of the two and a half years of preparation, research and study engaged in by officials of Industrial Dallas, Inc., the corporate title of the Chamber of Commerce subsidiary, with the aid of the best available American research and industrial engineers, as a prelude to starting the \$500,000 national advertising campaign of Dallas in May, 1928, is already well known to ambitious cities and their citizens throughout the United States. It was noteworthy chiefly for the extreme care, the painstaking analysis of the product to be sold, and its advantages over rival products, and the keenness of perception which enabled its sponsors to adapt the experiences of national advertisers of other com-

Through the inquiries which developed as a result of their advertising, Industrial Dallas, Inc., learned that one of the primary points of interest to executives was the market the community

The Southwest . . . . A 6 BILLION DOLLAR MARKET Must be Served from within for Maximum Profits Industrial Dallas, In offered.

modities to their use in advertising a city and a section. Of interest also was the enthusiasm engendered by this careful study, and the intelligent pub-licizing of its progress in the local community which resulted in the quick oversubscription by \$50,000 of the \$450,000 fund originally sought to finance the campaign for three years. Seven hundred and eighty subscribers pledged themselves each to thirty-six monthly contributions to make up the total.

Out of a year's practical application of the plan, and the carefully tabulated results therefrom, have been drawn several conclusions of absorbing interest to community advertisers, and, indeed, to national advertisers of any

The outstanding feature of this mass of data accumulated during the

twelve months, now revealed for the first time, is the tremendous appeal which the availability of a profitable market exercises upon the manufac-turer and the industrialist, seeking new channels of outlet for his product. Judging by the results of Dallas' first year of advertising, this appeal overshadows all others so overwhelmingly that the second year's campaign has been built around it as a keystone, although the essential basis of the plan, indicated by the industrial survey of the Southwest territory, made by Lockwood, Green & Com-pany, of New York, for Industrial Dallas, Inc., as a prelude to the whole project, is retained intact.

On the basis of the information collected from more than 2,500 persons who have answered the advertisements of Industrial Dallas, Inc.—carried during the year in a list of thirty-odd general, class and trade journals—the American manufacturer's interest in the so-called "basic industrial factors," such as power, fuel, labor supply, wage scales, transportation facilities, raw materials, living conditions, taxes, corporation laws—is secondary to the big question of markets. Given the promise of a satisfactory and profitable consumer demand for his product, the manufacturer apparently is in a position to reconcile all these other factors to this predominating inducement.

Incidentally, the fact that Dallas is the geographical and economic center of a territory embracing Texas, Louisiana, Arkansas and Oklahoma, in which 12,000,000 people live within an overnight ride, who earn and spend \$6,000,000,000 yearly, has been a matter of absorbing interest to every inquirer who has clipped a coupon from an Industrial Dallas, Inc., advertisement.

This fact—and the fact that the sales manager is the member of the general staff of any business enterprise constantly scanning the horizon for newer and richer consuming markets for the output of his factory—possibly explains the significant fact that

of the entire list of thirty-two publications circulating in every field of industry carrying Industrial Dallas advertising in 1928-1929, SALES MANAGEMENT proved to be the best medium on the entire list, basing the study of results upon the number of inquiries received, the percentage of prospects developed from the inquiries, the cost per inquiry, and such other factors as could possibly be applied in a campaign of this character.

Here is a bird's-eye view of the year's advertising. The sum of \$150,000 was divided between thirty-two publications, with the resulting 2,508 inquiries, 35 per cent of which were from executives. In 1928, with the campaign opening in June, 704 new business enterprises were established, as against 364 for 1927. In 1929 there have been 382 new businesses, or more than the total for 1927. Branches have also responded to the advertising effort, with the result that twice as many branch offices and stores were established in Dallas last year as in 1927.

Figures also show a remarkable response from Dallas residents who pledged their support to the campaign. During 1928, 98.2 per cent of the pledges made were collected.

baking powder a chemical reaction occurs, differing according to the different acid ingredients used in the several powders. To the acid ingredients, which cause the evolution of carbon dioxide gas (the leavening agent in baking powder) when combined with moisture and bicarbonate of soda, the respondent adds a minute quantity of dried white of egg or dried albumen. This quantity of dried white of egg, which is 15/100 of one per cent by weight, adds nothing to the leavening efficiency of the baking powder but causes a film (a minute quantity of soap or glue would bring about the same result) to form over the foam mixture, thereby restraining the escape of the carbon dioxide gas evolved.
. . . In the case of powders containing different acid ingredients varying results are obtained."

### Typical Example

The findings present a long list of statements and claims regarding this test which the company requires salesmen and demonstrators to make. As a typical example, it is explained that while the test of Rumford's evolves a foam mixture which rises as high as the foam mixture of Calumet, the mixture collapses when jarred and gives the appearance of being inferior to Calumet. Other powders containing dried white of egg, the findings also explain, are tested with similar results, and respondent's salesmen and demonstrators constantly claim that said results indicate the inferiority of the competing powder and the superiority of their own brand. "These statements are untrue," the findings add.

Many other statements made by rep-

Many other statements made by representatives of the Calumet company are set forth and similarly condemned. But findings do not rely on selling talk alone to build up evidence, for it continues: "With or without any statements or representations by respondent or its agents in connection or conjunction with the making of the water glass test, the test in itself misrepresents the facts as to the strength and efficiency of Calumet Baking Powder and of competing powders."

Paragraph nine sets forth the extent to which the company has used the test. It states the company employs a large force of demonstrators who call upon housewives for the purpose, and who travel in crews and are instructed to call upon at least 90 per cent of all housewives and make the test in every possible instance. In this way whole states are demonstrated, the work lasting several years in some cases, and where a diminution in the sale of the powder is reported the

(Continued on page 44)

### "Trick" Selling Condemned by Federal Trade Commission

LTHOUGH the recent cease and desist order issued by the Federal Trade Commission against the Calumet Baking Powder Company may not be upheld by the courts, it proves forcefully the danger of building business by means of questionable selling methods, no matter how effective they may appear to be. Regardless of the final outcome, the many and bitterly antagonistic competitors of Calumet are now furnished with authentic and damning evidence with which to present their side of the case before distributors and the public.

On June 12 the commission ordered the Calumet company to cease and desist from making the water glass test with Calumet powder in comparison with any other baking powder, and from either making or suggesting that the test be made with any other manufacturer's powder. Also, the order prohibits the company from making an assertion or claim that the test in any way demonstrates or determines the strength or leavening efficiency of any powder, or that doughs or batters or like mixtures in which baking powders are used will function in the baking as the foam mixtures function in the test.

This order is brief and comparatively mild in its statements; but the "Findings as to the Facts and Conclusions" tells a different story in its fourteen closely printed pages, and completely reports the evidence on which the commission based its decision. As in all other such cases the issuance of the order automatically releases findings to the public for any legitimate purpose.

For twenty years or more, findings state, the Calumet company has required salesmen and demonstrators to make the cold water test of its own and competing powders. This test has been made in various states before wholesale and retail grocers, customers of dealers, bakers, chefs, managers or owners of restaurants and hotels; in department stores and cooking schools, and before housewives and cooks. The findings then state that the so-called test consists of mixing a small quantity of baking powder with water, and continues:

"With the addition of water to the

Three manufacturers tell how a more adequate goods handling method cut down complaints, helped to win distribution and eliminated some losses of big orders by the salesmen.

## Careless Physical Distribution: A Monkey Wrench in Sales Machinery

### BY RICHARD WEBSTER

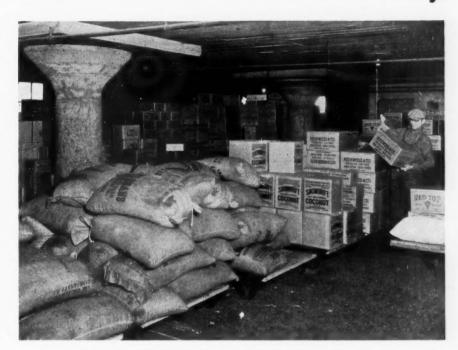
Vice President, Reimers & Whitehill, New York City

OODS handling is important for good selling. You will see what this means from true stories told by three sales man-

agers.

First, the sales manager for a household cleanser speaking of the fourth city in which he tried to get distribu-tion for his product: "In the first three cities, we had done pretty well with independents but had not got the one big chain we needed. Newspaper advertising announced a one-day offer of free goods, full-size package, on presentation of coupon. As we paid the retailer the full retail price of the package for each coupon turned in, we got some distribution very quickly -and in two cities we got tie-up advertising of distributors which was massed around our own free goods announcement advertisement and made us own that page. When we went into the fourth city, the big chain had checked all we had done in the other three towns and it was no longer impossible to get them to sign up. They took enough stock to put a case in each store and as much more in reserve, and they contracted for heavy tie-up advertising.

"Early in the morning of that day, I started out on a tour of inspection and in the first stores I visited, three independents, I found my product well displayed with window streamers and broadsides of the newspaper advertising. Then I went into one of the big chain outlets. No streamers. No goods on the counter. No counter card. When I asked the clerk he said, as if he had never heard the name of my product before, 'What's that? We haven't got it.' After I had visited six more chain stores and found never a bottle of my product in one of them, I called up the district headquarters. They were sniffy. Weren't they paying for the tie-up advertising? Did I suppose they wouldn't take advan-



Even though the sales department knows little about handling and moving goods in a technical way, it is in contact with the problem because it is constantly seeing sales lost because the goods were not there at the right time, in the right condition, in the right quantity.

tage of the first day's velvet? They took it for granted that stores had the stock and would not call up the warehouse until I coaxed a store manager to telephone in that he had had some inquiries from customers who showed him the newspaper advertising. The stock was all in the warehouse, and in the warehouse that Tuesday morning were unfilled orders from headquarters to deliver one case to each store not later than Monday noon. Some stores got stock about three o'clock Tuesday afternoon. There was a fine healthy demand in those chain stores all day long. I still get hot when I hear anyone say that demand or advertising, either one, is enough to move goods."

The chain store executives told him he should have checked the warehouse Monday afternoon. Whether that is a salesman's duty or not and whether this is an extreme case or not, it does show that physical distribution has a definite relation to sales and profits.

The second sales manager was older, more experienced, and had a better known product. His story was about metropolitan department stores. "I have goods they want. Style is right. Prices are satisfactory. They know and respect my house. But they won't buy unless we give them local warehousing with a guarantee of twenty-four hour delivery, and they suggest that we ought to agree to deliver direct to their customers."

Sales manager number three was the head of a sporting goods store and, unlike the other two, he was cheerful. "Nowhere near as much trouble about motor boats and canoes as there used to be. One of a kind—display samples only—up on the third floor. We take orders from sample, phone the warehouse if there is a rush, or mail them a requisition in duplicate, and the boat is delivered on our say-so. A clearing-house system—as easy as buying or selling futures on the produce exchange."

It is easier for the retailer. But if he will specialize intensively and effectively on selling, why shouldn't he be relieved of stock-keeping and stock de-

livery burdens?

But how about the manufacturer? You see his dilemma. If he refuses to supervise physical distribution and give the service demanded by the department store and sporting goods house mentioned, he loses a certain amount of business. If he tries to give the retailer all the stock storage and special delivery favors asked, he finds a business he doesn't know, an expensive experiment with costs likely to offset profit from these accounts.

### All Have Problem

What has been said so far does not tell how much there is to this problem of physical distribution. These are extreme cases. They are none too common—though they are likely to become more frequent in the next few years. But every manufacturer has a problem of physical distribution where distribution starts. Inside the factory there are even a larger number of examples showing how ineffective, illplanned handling of goods hurts sales

and spoils profits.

There are not many concerns with a costing system so practical and realistic that handling costs are segregated, though it seems quite obvious that this is necessary. And how valuable it would be if we knew what part of all handling costs is incurred in the factory up to the moment of actual carloading! We should probably find in some factories that the cost of moving goods a few hundred feet, from the last process of production through packing for shipment and actually to a shipping platform, is higher than freight costs for several hundred

(I am taking it for granted that my readers have discovered for themselves—or have learned from the stimulating discussion in Ralph Borsodi's "The Distribution Age"-the important distinction between marketing costs and the costs of physical dis-

tribution.)

The production engineer understands straight-line methods as applied to production. Now he must either extend his vision or supplement his blue print of intra-factory least motion with another expert's plan for handling at least cost all extra factory motions. The manufacturer needs planned straight-line distribution-moving goods with the least lost motion and to the best advantage.

Motion in production of goods has been a volume job. Motion in distribution of goods, now that we have hand-to-mouth buying, deals with very

small quantities. It uses medicine droppers where production uses giant conveyors. The production engineer will not help much unless he learns

a new technique.

The old traditions of physical distribution date from the time of bulk buying. Markets are no longer won by having cargoes of your goods on the spot before your competitor gets there with his cargo, which would have been enough for a season's supply of the market. Even if he wanted to, a sales manager nowadays could not dump enough of his product on a dealer's shelves to block his competitor from selling that dealer anything for the whole season. When that used to be done the market was won by moving large quantities of goods-a season's supply. But those days are gone. The quantity of goods going to retail outlets is much smaller and the frequency of shipments is correspondingly greater.

### No Formula Answer

All this has some bearing on the answer to the question: Can straightline distribution be planned best by the manufacturer's own experts or by a specialist working on the outside for many manufacturers and sales organizations? There is no formula answer -any more than there is to the question: Which is more efficient, an advertising agency or an organization's own advertising department?

If physical distribution is to be planned and controlled from the inside, it will have to be done by someone with a different sort of training from the production engineer's-not only for the reason that has just been given that distribution deals in smaller quantities than production. Of course, the production engineer might adjust himself and his methods to the very different problem of moving small quantities at intervals instead of large

quantities continuously. The second reason physical distribution is not a production man's job is that the factory type of mind always has difficulty in seeing the relation of any engineering problem to promotion and sales. Certainly physical distribution is closely related to promotion and sales. Indeed, it is physically necessary if there is to be sale and purchase: the big chain group could not sell the household cleanser when it

was not in the stores.

On the other hand, right motion of goods is good promotion. The motor boats and canoes that moved past the store of the metropolitan dealer, direct from warehouse to customer, by virtue of that right motion and least motion, created enthusiasm for the store and for that brand of goods.

There is a presumption that moving goods after they leave the factory cannot be planned in the factory as well as it can be planned outside. The reason is that planning must be governed by sound principles of sales promotion, as well as by least motion, least handling, least cost. Sales promotion principles don't normally grow best in production environment.

The manufacturer's sales department is more likely to be helpful than his production executives. They are in touch only with the first stage of physical distribution and so they will consider that the problem is primarily or entirely a question of railway or steamship rates and the careful handling and quick delivery of products by these common carriers. As common carriers have always been regulated by the government, the natural recourse is to legislation. Legislation is not the right remedy-for several reasons. In the first place, freight rate legislation cannot possibly affect the very important parts of physical distribution that precede and follow shipment by rail. It has been estimated that not more than ten cents of the physical distribution dollar goes for freight. It is even more important to remember that legislation is a lazy remedy compared to planning and promotion. It is removing the problem from the field of business as if we could do nothing about it and must turn it over to the police.

### Vital to Sales Department

Even though the sales department knows little about handling and moving goods in a technical way, it is in contact with the problem because it is constantly seeing sales spoiled or lost because the goods were not there at the right time, in the right condition,

in the right quantity.

What the sales department does know about the relation of physical distribution to sales and profits, it learns mostly through complaints. The importance of complaints as a means of knowing what is wrong with the business is evident from the experience of department stores with effectively organized complaint bu-But selling based on complaints is likely to be negative or, at best, corrective and not positive and constructive. In getting at the relation of physical distribution to selling, the sales department should not be satisfied to wait for complaints. It should make a complete survey and discover, if possible, all the things that are wrong and not merely those that are so wrong someone complains about. The cure to be desired should be not merely remedial but, like mod-

(Continued on page 47)

## Houses we never see, doors we never open...



THE size and congestion of New York appall the newcomer. After much confusion, he finds his way around; once found, he keeps it. Day after day, his route runs down the same streets, avoiding other avenues. There are thousands of streets he never tries, thousands of buildings he never sees, thousands of doors he never opens, thousands of people he never comes to know.

Likely enough, the newspapers now resemble the city—bulky pages of print the reader has no opportunity to peruse.

In the golden age of the New York newspaper, Dana's famous Sun of four pages could be thoroughly *read*. Today's paper of sixty odd is seen only in part and never wholly read.

The path of the reader's interests and eyes follows certain pages and certain places on the page. There are streets he never tries—some advertisers' invitations. Houses he never sees—some advertisers' names. Doors he never opens—some advertisers' opportunities. And people in print he never comes to know—some of whom may be you!

YOUR problem of reaching the New York prospects is not only inter-paper, selection of the right media; but intra-paper, selection of the right place. The trend is either back to Dana or on to something better — the small-size newspaper.

Ten years ago, the pictorial small-size News was started — to fit New York. A paper with a five column, thousand line page — limited in size, condensed in content, inviting with illustration, alert with attractions. It can be handled easily anywhere and read within the limits of the reader's time. Small pages, and something on every page to see. Here the advertiser is on the traveled path, buysattention with white space. And the space limitations of the small-size paper occasion less competition between advertisements.

The value of this kind of newspaper to the reader is evidenced by its success—the largest circulation in America—1,343,548 copies a day (May 1929 average). And advertisers are recognizing the peculiar efficacy of The News as an advertising medium by the purchase of a million lines a month of the highest priced newspaper space in this country.

The News can do a better job for you in New York! Investigate!

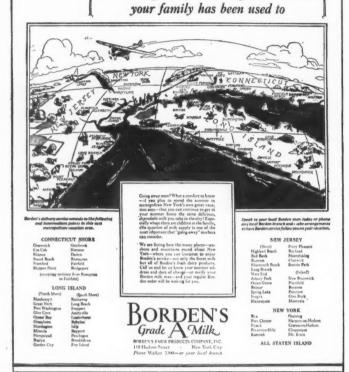
### THE NEWS

New York's Picture Newspaper

25 PARK PLACE, NEW YORK

Kohl Building, San Francisco Tribune Tower, Chicago

### Wherever you go n this great vacation land! You can get this same dependable milk

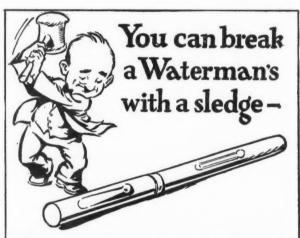


(Olmstead, Perrin & Leffingwell, Inc.)

Vacation advertising becomes almost as banal as Christmas advertising, but Borden's map renders a real service to many vacationists who are reluctant to experiment with local dairies.

> A specimen from the Waterman campaign which has been unusually successful in focusing attention on the purpose for which its product was intended. It is especially noticeable in these days when so many advertising appeals are far removed from the real merits of the product.

## Sales Management Gallery





you can't harm it with hard work. For every purpose for which a fountain pen is intended, a Waterman's func-tions 100%. Here are a few of the rea-sons for this letter perfect performance;

The holder of every Waterman's is made of hard rub-ber—the all-satisfying material for the purpose because it is stainless, strong, light, and feels good in the hand. From the iridium tip of the 14-carat gold pen point to the shining top of the cap every Waterman's is scientifically balanced.

It fills easily, rapidly, and holds a lot of ink.

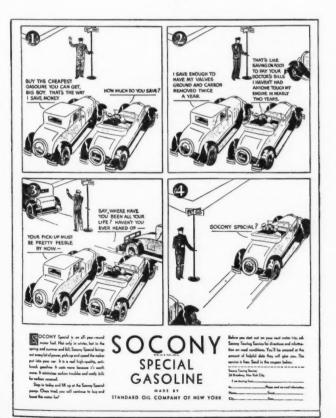
Waterman's No. 7 is the newest and most appealing idea in fountain pens. There are seven different pen points to choose from, each identified by a distinctive color band on the cap.

Ask any dealer to show you Waterman's No. 7 and select the point that best suits your style of writing

A USEFUL AND AGREEABLE VACATION COMPANION

A trade paper page which is highly attractive without flossy details. Nearly every inch of the space is utilized.

Not especially pleasing to look at, yet sure to catch the eye and hold it long enough to deliver an excellent sales story.

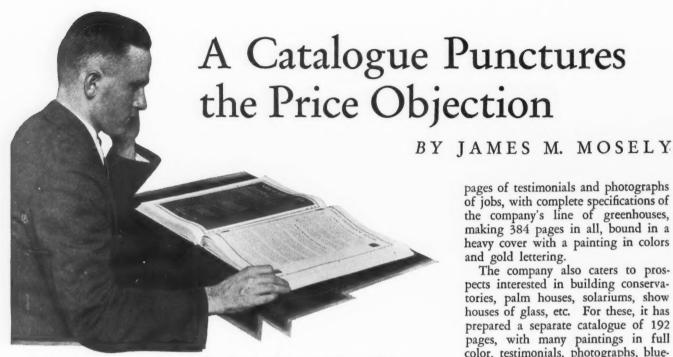




(Maurice H. Needham)

Five Mondays in a month would be hard to beat as an argument for extra help on washdays.





Too many prospects were inclined to look only at the cost figures, rather than at what their money actually would buy. A catalogue was an effective belp in overcoming this resistance.

N a field in which prices are slashed right and left and in which the decision to buy cannot be made readily by a prospect without consultation with his banker, a combination of a complete course of fundamental training of a technical nature and an unusual catalogue bound into a giant volume is proving an indispensable sales assistant.

The American Greenhouse Manufacturing Company of Chicago found that too many greenhouse prospects were inclined to look only at the cost figures, rather than at what their money actually would buy if they placed contracts for greenhouses and conservatories with other than the lowest bidders. Philip L. McKee, in negotiating sales for the company, of which he is president and treasurer, observed that many buyers were unacquainted with the fundamental information on construction, heating, etc., which a well-equipped greenhouse operator should have for his own good-and for really intelligent

The banker who was to put up the cold cash for the purchase also often could "see" only the lowest bid, when a little study of elementary facts should have convinced him that a few extra dollars would have furnished more efficient greenhouse working quarters. In fact, in some instances the banker was likely to turn down the loan because not convinced the greenhouse business had any especially appealing profit possibilities.

Out of his own long experience, Mr. McKee wrote down in detail the principles and practices of greenhouse building in simple and clear language so that even an uneducated prospect could absorb it easily and so that the veteran in the business would find it interesting to refresh his memory on hazy points. The result was a compendium of encyclopedic facts, not available elsewhere, profusely illustrated with charts and pictures, telling a prospect what points to look for in judging a greenhouse and why various construction details, which might be overlooked, are important. This "instruction manual" he incorporated in what he decided would be a "whale of a catalogue."

Mr. McKee engaged a photographer to travel about the country among his former and present customers to take exterior and interior views of completed jobs. In a number of cases he arranged by mail for a local photographer to do this, when his own man did not have time to go. From these customers he obtained letters quoting their experience with his company's construction work.

On a giant page, twelve by fifteen inches, Mr. McKee showed a huge photograph of each of many jobs, accompanied by a letter from the satisfied user, including the country's largest rose grower, carnation raiser, collector of orchids, sweet pea grower, etc. In addition to the instruction manual in greenhouse building and buying, the catalogue contains 290

pages of testimonials and photographs of jobs, with complete specifications of the company's line of greenhouses, making 384 pages in all, bound in a heavy cover with a painting in colors and gold lettering.

The company also caters to prospects interested in building conservatories, palm houses, solariums, show houses of glass, etc. For these, it has prepared a separate catalogue of 192 pages, with many paintings in full color, testimonials, photographs, blueprints and educational instructions of a general nature to enable the prospect to get an intelligent estimate of how to do the job well, and what it will

Either catalogue is complete in itself, but for those who are interested, as are architects and some owners in both classes of buildings, the Chicago company binds both catalogues under one cover, making a combined giant catalogue of 576 pages.

### "Lead" Gets Catalogue

When the company receives a "lead" from its trade paper advertising or from a friend, its salesman personally delivers whichever catalogue fits the prospect's interests, or the combined catalogue, uses it to convince the prospect of the company's knowledge, experience and success, and refers to detailed facts as to why the company's items, even though sometimes higher in price, give greater satisfaction.

This impressive catalogue, costing about five dollars a copy, then is left to be read at the prospect's leisure. The purchase of a greenhouse or conservatory seldom is done on impulse. It is thought over a great deal and figured out carefully before an order is placed. Usually bids from a halfdozen firms are obtained, including those from local carpenters. The size of the book impresses the size and leadership of the company, and the wealth of facts and suggestions proves extremely helpful to the florist or other future user. The more he pores over it the more it builds a favorable attitude toward the company.

If he needs to borrow at the bank, (Continued on page 40)



UP, over the heads of Competition, some Businesses surge on to new Markets and new Successes. Such progressive Concerns seemingly recognize no Business Horizons.

Do you wonder how they make the Grand Hop from Mediocrity to outstanding Prominence? The Answer is simple... They utilize everyday Opportunities to build Prestige and Goodwill. Whether large or small, they put their Best Foot forward. They make people believe they are big—and then the People make them big. Impressive Presentation is a rule of their selling creed. The Costly Catalog—the Forceful Sales Letter—the Beautiful Booklet—the Daily Correspondence cannot offset the Bad Impression created by its arrival in a cheap, shoddy envelope. Good Envelopes are as necessary to Modern Business as Good Salesmen.

How easy to insure Impressive Presentation by using Good Envelopes... and how unbusinesslike not to use them when the Profit on one Lost Sale might have paid for a Truck Load of Good Envelopes.



ARE JUST GOOD BUSINESS

BUREAU OF ENVELOPE MANUFACTURERS OF AMERICA, 19 WEST FORTY-FOURTH STREET, NEW YORK CITY

@ 1929 B.E.M

### Pity Mr. Tankard-Smith!



Kenneth B. Tankard-Smith, B.M.T., left for the Philippines in March, 1898, wearing a hat like this.



B. Tankard-Smith, B.M.T., stepped off the gangplank in New York on March 3, 1929, wearing his favorite style of hat.



K. B. T. Smith, B. M. T., at the Presidential In auguration in Washington, where he was non plussed to be mistaken for the Ambassado from Zanzibar.



And here is K. B. T. Smith, B. M. T., as he appeared on Broadway, after visiting one of the shops of New York's largest Hatter.\*

## LONG'S HATS for ALL OCCASIONS

LONG'S HATS \$3.55 to \$6.50 KNOX HATS \$8.50 and on to \$40 Fifty-two convenient LONG'S Stores make it easy to choose your Spring Hat

## One-Hat Man Is Target for Long's Newspaper Campaign

BY ROBERT TURNER

HE current newspaper advertising campaign of the Long's Hat Stores Corporation, New York City, may be the harbinger of a long-needed renaissance in men's hat advertising.

For some reason many hat advertisers seem bound by a hard and fast precedent, "All hat advertisements shall be alike, and none shall say anything." They show a picture of a man wearing a hat, and carry some such line as "Your hat, Sir!" or "Time for a straw!" The pun on the proverb, "Straws show which way the wind blows," has been worked until it is weary.

Long's, a company noted in the trade for conservatism, has smashed precedent, and, bursting trite forms that have so long shackled hat advertisers, has struck off on new trails full of promise.

Each Long's ad now appearing in the newspapers contains a definite, educational message, in the popular serial picture form. The public today is "picture conscious." It hasn't time to read, but it will pause to glance at a picture, or series of pictures. Humor is purveyed through the comic strips. History, biography, and even the Einstein theory, and "The Story of Philosophy" have been explained in picture series.

Long's is releasing a series of six advertisements in six leading New York dailies, and also newspapers in Philadelphia, Hoboken, Jersey City, Long Island, Brooklyn and Baltimore.

In keeping with the popular mood, each of these advertisements consists of a series of four sketches, each sketch accompanied by brief copy, in a breezy, humorous vein. Each tells of the adventures of some entirely mythical person, whose choice of hats, for one reason or another, is interesting, and each points a moral.

The subjects treated in the advertisements completed so far are: the necessity for a complete hat wardrobe, the importance of style in hats, and the harless fed

the hatless fad.

Advertise-

ments in the series sell the

necessity for a complete

wardrobe of hats, and the

importance of

style in bats.

The current series, of course, deals mostly with straw hats, but company officials expect to continue the campaign on into the felt season.

R. C. Montgomery, president of the Long's Hat Stores Corporation, states this campaign is to combat two conditions about which there has been much discussion in the trade; hatlessness, and the tendency of so many men to make one hat serve for all occasions.

### Comics Have Wide Appeal

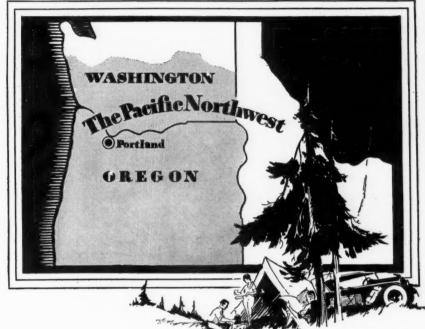
It is thought, also, that this campaign will reach the man through the woman. That women are keen followers of serial pictures is an accepted fact, and they have great influence on the purchasing of men's clothes. Youngsters are also appealed to by serial pictures, and it is believed that this campaign will have an effect on the growing tendency of the younger element to go hatless.

Thus far the campaign has elicited favorable comment from Long's customers and the sales force is very enthusiastic. Copies of each ad, as it is released, are sent to all Long stores, so that the personnel will be advised of what is the latest, and govern its merchandising effect accordingly.

Long's has a stunt to tie up with the newspaper campaign urging men to possess a sufficient variety of hats to have the correct one for each occasion. It is a large card, approximately twenty-two by twenty-eight inches, which fits into a frame in each store. On this card are depicted six hats necessary for correct summer wear: the Sennit for informal town wear; the Leghorn for country usage; the Panama to accompany sport clothes; the China Split for formal attire; the light felt for sports and the country, and the cap for golf, travel and motoring.

Nearly every customer who visits Long's stores pauses to study the card. Certainly the man who learns that six hats can be used is a better prospect for a second, or third hat sale than those who never knew there was use for more than one.

# The Oregonian invites you



Portland is the retail, jobbing and manufacturing center of Oregon and Southern Washington, the nation's fifth market in per capita wealth. If you want authentic information on which to base plans for increased business in this territory, write for your copy of the Oregonian Market Book.

# Spend a Real Vacation in the Pacific Northwest

Get away from this: Four walls. A desk. The unrelenting press of work. Conferences. Interruptions. Work. Jingling telephone bells. Clanging street cars. Work. Strident traffic. Congested highways. Frayed nerves. Sluggish appetite. Smoke. Dust. Heat. Work.

And come to this: Open spaces fringed with forests of fir and pine. Soft green meadows and valleys. Play. Snow-topped peaks. Tumbling, gurgling streams. Fishing. Play. Scenic Columbia Highway. Mt. Hood. Crater Lake. Camping. Sunny days. Crisp, invigorating nights. Forest quiet. Calm nerves. Bracing appetite. Down-right

... While you're in Oregon visit The Oregonian too, for it is a Northwest institution that has been building with Oregon for 79 years. An hour with The Oregonian, and a few casual inquiries while you're touring the state, and you will understand why The Oregonian is your first and best advertising buy in the Pacific Northwest.

Circulation over 109,000 daily; over 172,000 Sunday

Nationally represented by VERREE & CONKLIN, Inc.

NEW YORK 285 Madison Ave.

CHICAGO 333 N. Michigan Ave.

DETROIT
321 Lafayette Blvd.

SAN FRANCISCO Monadnock Building



The Preferred Newspaper of the Pacific Northwest

# The Handwriting on the Wall for Grocery Manufacturers

### BY WALTER KALLBREIER

Retail Grocer, Louisville, Kentucky

Mr. Kallbreier's store was the first retail establishment to be analyzed in the Louisville Grocery Survey. What he has to say about the changes that are coming about in his business as a result of the survey shows conclusively that manufacturers selling to this field must prepare for a radical overhauling of many old selling policies, if they are to cope successfully with the new problems in distribution.

T is surprising how much we have learned about our business from the Louisville Grocery Survey. Fortunately, our store was the first to be studied, and the most valuable thing the investigation has taught us is that we are not merely an isolated unit on the frontier of trade, but a very necessary factor of food distribution.

It now seems to me that individual retailers are the spark plugs of the distribution automobile. Many of us have proved our economic right to survive and our ability to compete successfully with mass retailing. You can't run the distribution machine very well without us, and, if we break down, both the manufacturer and the wholesaler will lose heavily. The first big lesson I learned is that the individual retailer, the wholesaler and the manufacturer are indispensable parts of the great human machine responsible for feeding the nation, and that neither we nor the wholesaler can solve our problems without the understanding and the cooperation of the manufacturer.

We suspected this long before the survey started, when our Retail Grocers' Association appointed what we call the Allied Food Committee, a group of five manufacturers, five wholesalers and five retailers, of which I am a member. Since then we have demonstrated that the problems of one are the problems of all, with the manufacturers taking the greatest amount of responsibility because all

distribution originates with them. There is no doubt that it is the development of this committee's work which has finally resulted in the investigation now being accomplished by the survey.

To my way of thinking, the survey is the most important and valuable event in the history of distribution. The 600 members of our retail association are taking a great deal of interest in it; most of them are already applying available information, and I am sure that the majority of the individual grocers of the country will benefit materially by their application of the facts. For this reason I am convinced the final report of the survey will be as valuable to manufacturers and wholesalers as to retailers.

The first meeting of the Allied Food Committee on the survey was held Saturday, the busiest and only profitable day of the week for some of our members, but we had an attendance of 100 per cent. We voted to support the survey unanimously, for we realized our business was changing and it was necessary to learn why. We also knew that many of our methods were ready for discard and that many things we thought we knew about our business were not true.

For instance, several years ago we were all convinced that chains were getting business solely because they were underselling us. When our association undertook an investigation we thought it was useless to question housewives on why they patronized

the chains. We were certain of the answer; but when returns were in we found we were all wrong. The first reason of the majority questioned was the convenience of the store arrangement; the second was the cleanliness and attractive appearance of most chains, and price was the third reason.

So the allied committee and our association were ready and eager for the survey when the work commenced last December. An inventory crew came into my store and listed all items on separate cards. Several days later the survey office sent back to me the first inventory record for pricing and other details, and since that day, throughout the three months' checkup, I have been astonished at the number of facts from the inventory I can apply to our business.

We have always tried to conduct our store in a business-like way, and we thought we were pretty good business men. We had taken many inventories; but the final inventory of the survey was the only one I ever saw which compared the cost of every item, with all expenses of its movement, and its selling price. The first time I looked over this inventory I found a number of items which were out of line. On some I was losing money and on others I was charging too much, and since last December I have been repricing on a fairer basis a number of the 864 items in our store

### Shows Up Losing Items

It was the first time our entire stock had been classified by departments and classification immediately showed up numerous items moving so slowly as to entail losses. The figures of the inventory also indicated which of the slow items are creators of business and should be retained. Items like milk and bread, while they show a loss when charged and delivered, are necessary for the convenience of customers, so we take our loss on them. But we have dropped many other items and have found that their discontinuance has had no unfavorable effect on our volume.

Of course, we have always kept a set of books; but until the survey we did not properly record and check a number of transactions. Now we have



## Big White Elephant **Is Going Out of Business**

Goose guills, box files and water presses all had their day—and now the adhesive postage stamp—the biggest white elephant of all—is on the trail to obsolescence.

Modern business demands speed and accuracy.

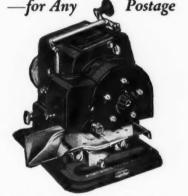
Communication can no longer be saddled with the delay and insecurity of gummed paper postage attached and cancelled on millions of letters during the closing hours of each busy day.

Metered Mail, authorized by the Government, provides a speedier and safer mail service. It permits responsible mailers to print and meter their own postage.

Metered Mail catches the first train, plane or boat no delay for stamp sticking, or for facing, cancelling and post-marking in the Post Office. No worry that the postage may fall off. No possibility of theft or leakage in your postage account.

Soon, all business mail will be Metered Mail. The postage stamp is going out of business.

Now Metered Mail for Any Business for Any Postage



The New Model H-Prints Any Postage Price \$75.00

Government Licensed Meter furnished under service contract.



Single Denomination Indicia A billion and a half letters mailed by business leaders of America carried this symbol of progress last year.

## made stamps obsolete

THE POSTAGE METER COMPANY Sole Distributors of

PITNEY-BOWES MAILING EQUIPMENT







New Multi-Denomination Indicia Now extends privilege of printing postage, to any responsible concern regardless of the size or variety of its mail.

MAIN OFFICE: 861 PACIFIC STREET, STAMFORD, CONN.—OFFICES IN 21 CITIES

improved our accounting methods and we have stopped some rather serious

In all other activities of our business, and they are undoubtedly of more direct interest to manufacturers. similar changes have been brought about by the survey. For instance, it is surprising how many old selling arguments results have taught us to ignore. Formerly the salesman who offered us a little lower price on an item, or a piece of goods for less money than a similar item in stock, could get our attention. We were interested in such propositions because we thought we were making money on the profit of individual items. But now we know the cost of discarding an established piece of goods; we know slowing down our turnover increases our expense, and that departing from our rule of concentrating our orders costs more than special discounts on a few items.

Free deals are also a dead letter in our store; we will not listen to any free deal offer. We have learned that as soon as we buy more than the volume that would give us our regular turnover we have added tremendously to our expense. We know that while a free deal seems to save money at one end of our distribution function, it loses a great deal more than it saves before the goods reach the other end.

### Buying a Costly Process

Just what our buying cost is we do not know; but soon we shall be able to determine the expense of purchasing every item we handle. We once thought it cost little or nothing to buy goods, but the survey has taught us that the expense is one of the burdens on our business. Consequently, we now spend an average of less than two minutes with salesmen. We treat them courteously; but we realize that every salesman we talk with adds to our expense of doing business. A sales talk has to be a necessity, rather than a luxury, to find an audience in our store.

Almost every day, we are urged by salesmen to divide up our business among several wholesalers. Frequently, it is a specialty salesman who tells us we are all wrong to concentrate our purchases, and I think manufacturers have much to learn on this point. It is one of the old fallacies of the grocery trade, and the sooner it dies the better for all concerned. We have proven that it is to our own and the public's interest for us to concentrate our purchases, and I feel sure this principle should be applied throughout all distribution. It is undoubtedly also the interest of the manufacturer to concentrate his distribution and for the wholesaler to concentrate his pur-

During our first year in business, seven years ago, we bought from several wholesalers and we wasted a great deal of time talking with practically every salesman who called on us. We bought goods we liked and thought we could sell them profitably because we liked them; but we learned our preference was a poor guide to what the consumer would buy readily. After the first year, we changed our policy and began to buy only those goods which we believed the consumer wanted. This is the reason for our growth, I am sure, and I believe it offers manufacturers one of their most valuable fields for study.

### Chains Hurt Little

The first year, we did a volume of \$40,000, and every year since we have gained in both volume and profits. Last year we did a business of nearly \$125,000, with six clerks, one bookkeeper, and myself. It requires three light trucks to make our deliveries, and we serve an average class of trade. Although we own our building, we charge up rent for it, pay a salary to myself as manager, pay interest on money invested in the business, and show a margin besides.

Our growth shows that chain stores have not hurt us very much. I am confident that the survey, when completed, will prove that well-managed, individual grocers are harmed a great deal more by the poorly managed, under-financed, small stores than they are by the chains. In Louisville, thirty-two independent retail grocery stores are opened every month, and an average of thirty fail or go out of business. When the facts are known as to the great waste brought about by this condition, I am sure manufacturers and wholesalers will relieve food distribution of the unnecessary

The further we go in our study of the information disclosed by the survey, the more proof we have that we cannot solve our problems alone. Frequently, we notice practices on the part of manufacturers and wholesalers which do not conform to principles we have learned through the survey, and every one of them places some burden of waste on our function of distribution.

A great deal of money is spent uselessly in attempting to introduce goods with no economic place in our community-goods duplicating items already established. As an example, we have two grades of baking powder, under different brands, and both are well-known and popular. Every few weeks we have a baking powder salesman in the store, although we will not listen to a proposition on any other brand. I do not believe any manufacturer in the country could spend enough money in advertising to induce us to put in another powder, and if he could induce us to take his brand. it is probable we would drop one of the brands we now carry.

This statement applies to every other item in our store. We have found duplication of items one of the costliest faults we had. During checking of our store, we learned we were losing money on many duplications, and we promptly dropped them. Since then we have wondered why so many manufacturers attempt to sell this market on goods merely duplicating brands which are well distributed. It costs a great deal of money, and few of the attempts succeed.

By this, I do not mean to infer we will not accept new goods. We are always on the lookout for new merchandise which adds to the variety of our lines, those demanded by the public, or which give us the opportunity to cooperate with the manufacturer in

creating a demand.

### Thorough Trial for New Goods

We have bought a number of such items since the survey started. It is our rule to give them a thorough trial, making special store and window displays, and using all dealer helps furnished. We take the time and trouble to recommend such goods to our customers, and if they are not moving at a profitable rate at the end of a few weeks we discontinue them.

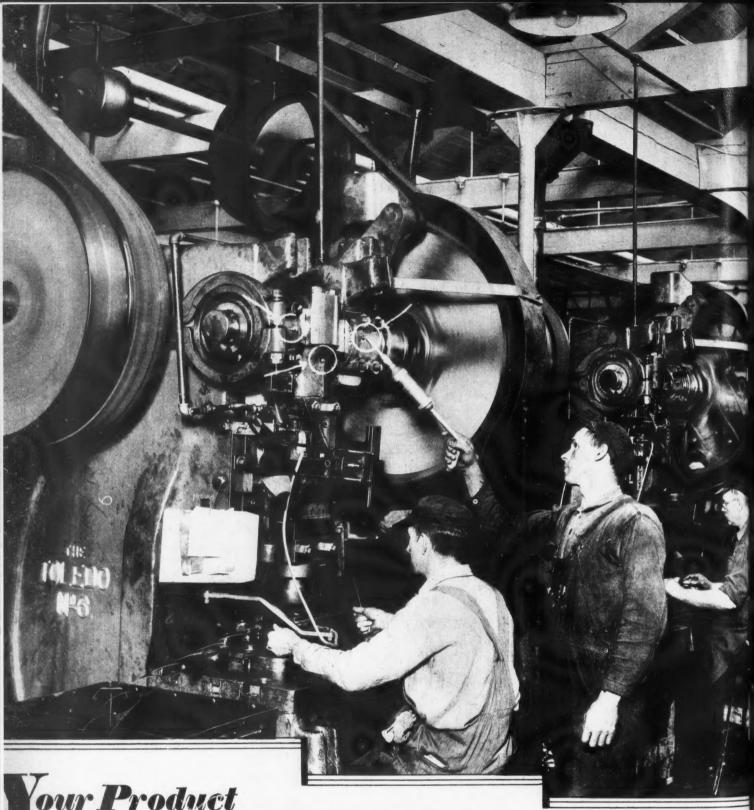
In selling these new specialties, we have found the manufacturer's method of packing is of utmost importance. This is true also with many old and well-known products. It may cost a manufacturer a trifle more to put up his goods one dozen to the package instead of two dozen, but the encouragement smaller packing gives to retail volume will more than repay him

in many instances.

The figures of our store survey show we have many items in our stock which would pay us a very much better return, if we could buy them in smaller units and order more frequently. In fact, this subject is so important we wonder why so many manufacturers apparently ignore it. There is no logical reason for the packing of a large part of the merchandise we handle. In the future I feel sure all manufacturers will pack goods in a manner most acceptable to the retailer.

(Continued on page 48)





Your Product

in Use. Grease gun or giant planer, silver service or jeweled necklace, motor car or hiking boot -it is in the use of your product that interest lies. To transform that interest into conviction, utilize pho-

tographs of your product in use. In your advertising-newspaper, magazine, catalogs and mailing pieces - the process of rotogravure will reproduce those photographs with a fidelity that leads to belief in your

product. From the Rotogravure Development Department, Kimberly-Clark Corporation, 208 So. La Salle St., Chicago, Ill., you can draw upon a vast experience. Just write.

Established 1872

New York 122 E. 42nd St.

Neenah, Wis.

Chicago 208 S. La Salle St.

Los Angels 510 W. Sixth S

Photograph by Kaufmann & Fabry



# \$450,000 Newspaper Campaign Lifts Hires Sales 50 Per Cent

With a newspaper campaign amounting to \$450,000, featuring a new formula and a "free drink" offer, the Charles E. Hires Company, Philadelphia, has increased its sales 50 per cent over those for the same period last year, stated Charles E. Hires, Jr., president of the company, in an interview with SALES MANAGEMENT this week.

"It is planned for the preliminary campaign, including this year's effort, to sample at least a million glasses of the new Hires, and our experience shows that coupons to the extent of 10 per cent of the circulation of the newspapers are actually cashed in,"

Mr. Hires explained.

"About eighteen months ago we decided to make a study as to why the sale of Hires had not gone forward to a much greater degree, considering the age of the drink and the public's knowledge of it. This survey led us from one experiment to another until we were finally forced to admit that the constant repetition of 'Drink Hires—It Is Pure' had given the beverage a high standing with the public and trade, but had not in reality increased sales.

"In the endeavor to find out just what it was we could say about Hires that would make it appeal to the public, we found, after a great deal of laboratory experiment, that it was possible to put into Hires certain food values, such as Vitamin B and mineral salts. We checked the vitalizing values and found that we were able to keep the old flavor and at the same time add these additional food values. "With that story to tell the public we started the present advertising cam-The response of the dealers as well as consumers shows that it is possible to take an old product and through careful merchandising methods renew the public's interest in This is evidenced by an increase of well over 50 per cent during June this year as compared with June, 1928."

The present Hires campaign was first tried out in some of the smaller towns of the Eastern states, to check weak points and to iron out problems. The territory was then broadened to include New York City, the states of Pennsylvania and New Jersey, parts of Ohio and the city of Detroit.

re

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Angeles Sixth S

By the summer of 1930 it is planned to include all the territory east of the Mississippi River and a few scattered Western points in the campaign. It is not expected that the 1930 appropriation will be determined before the close of the present fiscal year in September.



Charles E. Hires, Jr.

# Foreign Service Expands

Louis D. Ricci, vice-president of the Foreign Advertising Service Bureau, Inc., export advertising agency of New York, has just returned to the United States from South America, where he has been traveling since January. Mr. Ricci established offices for his company in Buenos Aires under John W. White, Argentine newspaper man, and at Rio de Janeiro, under A. D'Almeida, formerly of the General Electric Company.

# Milwaukee Club Elects

At a civic meeting last week attended by 400 members of business and community associations of Milwaukee, Van B. Hooper, sales manager of the Master Lock Company, was elected president of the Milwaukee Advertising Club. The meeting was also in the nature of a bon voyage dinner to the Milwaukee delegates who will attend the International Advertising Convention at Berlin next month.

#### Bankexposition Appoints

E. D. Gibbs has been elected president of Bankexposition, Ltd., New York City, to succeed J. Maxwell Gordon. Mr. Gibbs, for fifteen years advertising and sales promotion director of the National Cash Register Company, joined the organization recently as vice-president in charge of sales. Charles Hammond was elected vice-president.

# A. N. A. Hits Smoot Plan to Censor Advertising

Government censorship of advertising, as proposed in a bill introduced in Congress by Senator Smoot on June 10, and now in the hands of the Committee on Agriculture and Forestry, will be vigorously opposed by the Association of National Advertisers, Inc. This announcement was made this week by Guy C. Smith, of Libby, McNeil & Libby, president of the A. N. A., following a study by their executive committee of the bill and its purposes.

The bill (SB 1468) has, according to Senator Smoot, two objectives: (a) "For the inclusion of tobacco and tobacco products within the scope of the Food and Drugs Act," and (b) "For the amendment of the Food and Drugs Act so that claims made for food and drug products in any advertising medium subject to interstate commerce control should be under the same strict regulation now applied to labels or other descriptive matter on, within, or around the container in which the product is packed."

"We object to Senator Smoot's request for government censorship of the advertising copy of the food, drug and tobacco industries," Mr. Smith explained, "on the grounds that federal, state and local legislation now exists which, if enforced, will adequately take care of the situation against which he complains.

"We object to his request for government censorship because the amendment for which he pleads vests almost unlimited power in a few men. If made a law, it would set up a dictatorship on advertising that would inevitably lead to unintentional, though costly acts of injustice and unfairness."

Action by several other advertising associations is expected soon.

# Heads N. Y. Sales Managers

Elon G. Pratt, general manager of the Smokador Manufacturing Company, has been elected president of the New York Sales Managers' Club. Other new officers are Bevan Lawson, executive sales manager of the Dictaphone Corporation, vice-president; George N. Ackerman, manager of the retail department, Doughnut Machine Corporation, treasurer; and Carol Lyttle, Dictaphone Sales Corporation, secretary.

### Jam Handy Moves

The New York office of the Jam Handy Picture Service is now located in the Chanin Building, 122 East Forty-second Street. The same organization has opened a new branch office in the Hanna Building, Cleveland.

# Month's Test Campaign in N. Y. Nets 4,025 Dealers for Tooth Paste

The first month of a newspaper campaign, started in three newspapers in New York City last month, has obtained more than 4,025 outlets for Bost tooth paste, a new product manufactured by Bost, Inc., of which William Ray Gardiner is president.

The campaign was started with halfpage copy in the New York *Times*, *Herald-Tribune* and *Sun*. These papers were used once a week until the end of the month, when each carried a full-page advertisement. Others will be added as the campaign develops.

The copy is directed to smokers exclusively and features a "handkerchief" test, in which smokers are invited to blow smoke through a handkerchief and to test Bost by removing the consequent stain with a little of the paste on a brush. The copy follows with statements that Bost will remove smoke stains from the teeth, a function for which it was especially designed and is "yet a delicious toilet requisite for all."

It traces the history of tooth pastes back to the formula recommended by Hippocrates, which was "... one burns separately a head of a hare and three mice; then pounds in a mortar some marble or whitestone and passes it through a sieve; then mixes equal parts of these and rubs the teeth and interior of the mouth, rubbing them again with greasy wool; then washes

the mouth with water."

Other copy appeals directly to women smokers and features the harmony with which "the jade and coral tube" fits into the modern bathroom. In an interview with SALES MANAGE-MENT this week, Mr. Gardiner said: "With the aid of six 'superintending' salesmen, all experienced tooth paste men, we have managed to arrange more than 500 window displays and figures now indicate that we will have more than 1,000 displays in the course of another month. With due consideration for the value of counter room, we have designed and applied for a patent on a signpost type of counter display which has a cardboard 'post' which fits into a single package of Bost. Signs of various design, measuring three by five inches, can be displayed this way without taking up more than a square inch of counter room.

"In tackling the New York market first we are starting in what many consider to be the 'toughest' territory in the country. When we have completed our campaign here we will extend our activities to key cities throughout the country, including Chicago, Philadelphia, Washington, D. C., and then on to the West Coast. Newspapers will also be used in those cities. In addition, we expect that later on we will start a campaign in class magazines of national circulation."

Later copy to be used in the New York campaign, which will be continued on its present basis until the Fall, makes a "fashion" appeal, based on the premise that "the tooth paste fashion cycle" show now calls for a special smokers' paste.

# St. Louis Sales Managers Elect Martin President

Hiram C. Martin, president of the Murphy Door Bed Company, St. Louis, has been elected to head the Sales Managers' Bureau of the St. Louis Chamber of Commerce, to succeed Syd E. Wilkinson, general sales manager of Butler Brothers, there. Other new officers are Charles E.

Michel, general sales manager, Union Electric Light & Power Company, first vice-president; Ted Gibson, manager St. Louis branch, Miller-Bryant-Pierce Company, second vice-president; and Frank D. Beardslee, manager, department of public relations, Mercantile-Commerce Bank & Trust Company, re-elected treasurer.

The St. Louis Sales Managers' Bureau was founded in 1909 and has a membership of more than 500. One of its activities is an annual one-day sales executives' conference for sales managers to which sales managers from neighboring trade centers are invited.

# Union Oil Company Promotes St. Clair

L. P. St. Clair has been elected executive vice-president of the Union Oil Company of California, succeeding E. W. Clark, who has resigned to devote more time to personal affairs. Mr. Clark continues as a member of the executive committee and of the board.

R. D. Matthews will be vice-president in charge of distribution; P. N. Boggs, vice-president in charge of production, and W. L. Stewart, Jr., in charge of manufacturing.

# International Chamber Opens in Amsterdam; Lamont Is Chairman

Headed by Thomas W. Lamont, international banker, chairman of the American committee of the International Chamber of Commerce and chairman of the American delegation to the Fifth General Congress of the chamber, to be held at Amsterdam, the Netherlands, all next week, a group of American business and professional men will arrive in Holland tomorrow to attend the sessions.

Committees from the delegation have been formed to direct the American participation in each of three groups into which the sessions will be divided. Chairmen of the three groups in the American delegation are: Silas H. Strawn, industry and trade; Willis H. Booth, finance, and A. J. Brosseau, transportation and communications. Secretaries of the three groups are: Edward Bacher, industry and trade; Richard Eldridge, finance, and Col. A. B. Barber, transportation and communications.

In addition, committees have been formed to direct American participation in discussion of specific subjects, in each of the groups. Chairmen of the industry and trade committees are: Julius H. Barnes, commercial policy and tariff questions; Allen Hollis, treatment of foreigners; Silas H. Strawn, Chinese affairs; Edward A. Filene, international fairs and exhibitions; Magnus W. Alexander, industrial statistics, and Julius H. Barnes, public and private enterprises. In the finance group the chairmen are: Willis H. Booth, international settlements; Fred I. Kent, commercial letters of credit, and C. F. Weed, double taxation.

Chairmen of the transport and communications group are: C. M. Keys, air transport; Roy D. Chapin, highway transport; Harry A. Black, sea transport; Charles S. Haight, bills of lading; C. F. Weed, international telegraphy; F. P. Valentine, international telephony, and under a separate legal classification, E. S. Rogers, industrial property.

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The first meeting of the entire American delegation, including delegates representing American chambers of commerce abroad, will be held in the Amstel Hotel, Amsterdam, tomorrow. John P. Gregg is manager of the American committee, and Owen Jones, with headquarters in Paris, is administrative commissioner.

Forty-three countries will participate in the Congress.

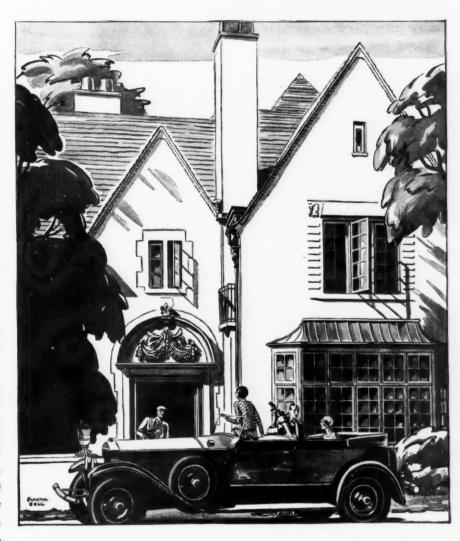
# Whence the added 500,000?

ALL during 1928 LIBERTY was "oversold." There weren't enough copies to supply the demand. Early this year LIBERTY began to lay more copies down on the newsstands. Within nine weeks the net paid circulation increased over 500,000 weekly—all voluntary, newsdealer sales. The total circulation is now more than two million net paid . . . and this average figure is guaranteed for the remainder of 1929.

Metropolitan centers are LIBERTY'S pets. When another tidbit of half a million was poured into the circulation crib, these market Dinosaurs were fed first. Cities of 500,000 or more population absorbed 183,891 fresh copies; those of 100,000 to 500,000 increased 154,194; while 123,559 were distributed among cities of 25,000 to 100,000. Approximately ninety per cent of the total increase was allocated to these pivots of the nation's business ... which pace LIBERTY'S editorial tempo.

One of the principal elements implicit in circulation value is that of keeping within a publication's own natural territory.

That LIBERTY more than stayed within the radius of readers who are naturally interested in it is evidenced by an increase from seventy-seven per cent to eighty per cent of total distribution, in the



249 Major Counties which embrace all of the 322 cities of 25,000 or more population.

Two million voluntary newsdealer circulation, clocked off in five years with no wind at its back (premiums, clubbing offers, subscription solicitors) . . . the magazine circulation record of America!

# LIBERTY

A WEEKLY FOR EVERYBODY

Blue Book suburbs which fringe metropolitan areas, shared measurably in the new allotments. Chevy Chase, habitat of many of Washington's social elite, doubled its circulation . . . Westchester County (richest in the world) increased 63% . . . Evanston, Ill., up 90% . . . Oak Park, Ill., up 30% . . . Greenwich, Conn. (most per capita wealth in America), up 30% . . . Pasadena, Cal., increased 60% in LIBERTY circulation.

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# Early Bankbooks of Noted Men Used to Attract Depositors

The early bankbooks of George Eastman, president of the Eastman Kodak Company; S. L. Rothafel (Roxy), motion picture impresario; John McEntee Bowman, of the Bowman-Biltmore Hotels; Douglas Fairbanks, motion picture star; David H. Knott, president of the State Title and

Mortgage Company of New York; William B. Storey, president of the Topeka & Santa Fe Railroad, and David A. Brown, chairman of the board of the Broadway National Bank and Trust Company, of New York, were used by that organization in a window display to attract depositors when the banking institution opened its doors for business last week.

The bankbooks were loaned to the bank as a result of an invitation from Mr. Brown to 150 Americans prominent in

financial, commercial, industrial, political and cultural circles, to encourage saving by showing the small de-posits made early in the careers of men who are now successful and prosperous. Mr. Knott's first bank account was opened in the Greenwich Savings Bank in 1887. His book shows that his initial deposit was \$5.

Douglas Fairbanks sent in a bankbook dated December, 1919, which showed deposits as modest as \$6.

Mr. Eastman's first book was issued to him by the Rochester Savings Bank on February 1, 1871, and the initial

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deposit made was \$210. The book ran four years and at the time that it closed he had a balance of \$430.

President Hoover, in a letter to Mr. Brown, expressed regret that due to the fact that he had lost his first bankbook long ago he was unable to add it to the collection.

# Milwaukee Sales Managers Hold Annual Meeting

Three hundred sales managers and their wives last week attended the annual sample night and dinner-dance which is a yearly feature of the Milwaukee Sales Managers' Association. The unique feature of this gathering is the distribution among the guests of hundreds of prizes which are donated by the sales manager members. If a sales manager's company makes a small product, he furnishes one for each guest; if the company makes a high-priced specialty, he donates something suitable in the way of prize merchandise. This year approximately 7,500 samples valued at more than \$4,000 were distributed.

This year six past presidents of the organization were the guests of honor. They were: Richard D. Wallschlaeger, Osmyn A. Dole, Albert T. Fish, Harry P. Hotz, Van B. Hooper and Howard T. Ott.

Howard T. Ott, of Nash Sales, Inc., was toastmaster for the evening. Van B. Hooper, sales manager, the Master Lock Company, was general chairman for the affair.

# Spencer Heads Aviation

Lorillard Spencer has been elected president of Aviation, Inc., of New York, a new company, formed to enter the field of air transportation of passengers and freight, the manufacture and distribution of air-planes and to operate student training schools.

The new corporation will take over the Aviation Training and Transportation Company, Inc., and will conduct training schools at Lake Placid, New York. Landing rights to Hudson River Day Line docks have been acquired by the company.

# Lipton Appoints Davies

David M. Davies has been made advertising manager of the Thomas J. Lipton Company, Hoboken. Mr. Davies was formerly Canadian advertising manager of the Tobacco Products Corporation, and an editor on the staff of the Butterick Com-

# Atwater Kent Dealers in Contest to "Sell" Public New Factory

Three hundred and fifty awards will be made by the Atwater Kent Manufacturing Company in a contest to be held among their dealers the week of July 8, to tell their communities about the thirty-two-acre Atwater Kent factory, and the dedication of a new sixteen and a half acre addition.

The awards include 250 cups, fifty fountain pen desk sets and fifty fountain pens. In addition, thirty-five prizes will be given the members of the Atwater Kent sales organization for the "most effective cooperation."

The cups will go to stores, the desk sets to department managers and the pens to the men who design and install the windows.

A number of advertising pieces have been prepared—among them a lithographed reproduction of the company's factories for window display, and a motion picture of the dedication of the new plant for showing at local theatres.

# Agencies to Compete for World's Fair Business

Applications for the privilege of handling advertising novelties, "ofhandling advertising novelties, ficial" publications, stamps, seals, dis-play advertisements and other commercial publicity matter outside of the fair grounds, are now being considered by the committee on advertising concessions, licenses and permits of the Chicago World's Fair, according to Homer J. Buckley, chairman of the committee on public information. Plans for the fair have reached a point

where selection of some firm or individual to act as an operating agency in awarding all advertising concessions is to be made. Proposals from operating agency applicants have been received and an announcement stating which agency has been awarded the business is expected within a short

The committee on advertising concessions, a subcommittee of the public information organization, will have the final word in appointing the operating agency and will pass on all proposals submitted to the agency itself. In addition, the operating agency will be required to make a contract for a concession with any concessionnaires approved by the concession committee. concessions within the fair grounds will be handled by another committee which will not be organized until next year.



# CASLON BOND starts with the log

THOUSANDS of spruce logs from Canadian forests turned at high speed into tons of bond paper—and yet Caslon Bond dares to flaunt its ensign on every sheet, confident of its prowess.

That confidence originates from laboratory control. From the tumbling ashore of the pulp logs that are to be Caslon Bond, laboratory control takes charge. Every movement hence is stalked, every operation peered at, by its uncompromising eye. High standards may be set when there is a way to preserve them. And with grim error ever lurking around the corner, it is fortunate that standardization can start with the log.

This direct control from log to finished product is one reason why advertisers and printers alike find Caslon Bond of good breeding, fitted by birth and development to perform their bond paper duties.



You will find in "Hidden Gold in the Bond Field" an interesting account of the plain facts behind Caslon Bond. Write for a copy if you haven't one. CASLON BOND

Reg. U. S. Pat. Office

THE MUNISING PAPER COMPANY - MUNISING, MICHIGAN

# Macy Buys Bamberger; Becomes Largest U. S. Department "Store"

In the race for the distinction of being the largest department store organization in the country, R. H. Macy & Company took the lead this week with the acquisition of L. Bamberger & Company, Newark. Last year Macy's did a volume of about \$90,000,000: Bamberger's about \$35,000,000. The total exceeds that of the present twenty-nine outlets in the Hahn Department Stores, recently organized, by \$10,000,000, and Marshall Field & Company by a slightly larger figure. There will be no changes in the policy or management of either store, Jesse I. Straus, president of Macy's, announced.

Mr. Straus will head the Bamberger store and Louis Bamberger, head of the Newark store, will become a member of the Macy board. Mr. Straus, with his brothers, Percy S. and Herbert N., has had control of the merged store since 1914. Previously it was controlled by their father, Isidore Straus, who went down with the *Titanic*, and by Nathan Straus, his brother, who sold it in 1914.

Macy's is unique in many respects—one of them being the fact that it sells only for cash and endeavors to maintain its price scale at least 6 per cent lower than any other store in New York City. In addition to Bamberger's Macy's now controls La Salle & Koch, Toledo, and Davison Paxon Company, Atlanta.

#### Bendix Acquires Pioneer

The Pioneer Instrument Company, of Brooklyn, oldest American manufacturer of flight and navigation instruments for airplanes, has been acquired by the Bendix Aviation Corporation, according to Vincent Bendix, president. No changes in personnel, policies or management of Pioneet will result.

The Pioneer company manufactures the earth inductor compass used by Lindbergh and other trans-Atlantic fliers in addition to other instruments.

# Makes Sales Tour by Air

Richard H. Depew, Jr., sales engineer of the Fairchild Aviation Corporation, acting as his own pilot in a Fairchild cabin monoplane, left New York this week on a sales tour which will include Middletown, Pennsylvania; Columbus, Ohio; Dayton Ohio; Terre Haute, Indiana; St. Louis and Kansas City.

# McCall's Gets Red Book

The Consolidated Magazines Company, publishers of the Red Book and Blue Book magazines, is to be merged with the McCall Corporation, publisher of McCall's Magazine, July 16.

### President's Greeting Runs Fifteen Feet

President Hoover's greeting to the annual meeting of the National Association of Real Estate Boards, held in Boston the other day, turned out to be the largest communication ever written over a presidential signature. It was typed on nine by fifteen foot White House stationery, signed in proportion, and delivered by airplane to Harry H. Culver, of Culver City, California, president of the association.

The letter, written originally on the regular White House letter paper, was reproduced in its enlarged form on a giant Underwood typewriter on the Garden Pier in Atlantic City.

# "Bosch" Rights Granted

The American Bosch Magneto Corporation has been granted the exclusive use of the words "Bosch" or "Robert Bosch" in the sale of magnetos and the Robert Bosch Magneto Company has been restrained from using the words commercially in a decision handed down by Supreme Court Justice Thomas C. T. Crain, last week. The controversy over the rights to the names was brought about as a result of the United States entry into the World War and subsequent sale of the Bosch interests by the Alien Property Custodian.

# Brown Joins Erickson

Sedley Brown, formerly advertising and sales promotion manager of Dodge Brothers Corporation, more recently sales promotion manager of the Hudson Motor Car Company, will join the executive staff of the Erickson Company, New York agency, July 15

# S. F. News Names Rose

Phil Rose has been appointed advertising manager of the San Francisco News, a Scripps-Howard newspaper. He replaces Earl J. Gaines, who has been made business manager of the Fort Worth Press.

#### Correction

Erwin, Wasey & Company was erroneously credited last week with the account of the George E. Keith Company of Brockton. It should have read to the Ferry-Hanly Advertising Company, Inc., New York City.

#### Green & Van Sant Move

Green & Van Sant Company, Baltimore advertising agency, are now located in the Court Square Building, at Lexington and Calvert Streets.

C. L. Perkins, for several years classified advertising manager of the Chicago Herald-Examiner, has joined the Chicago Skylines Publishing Company, publishers of Chicago Skylines, a local real estate magazine. W. M. Murphy, formerly with Mr. Perkins in the classified department, succeeds him.



SHELL EASTERN PETROLEUM PRODUCTS, INC., Boston, to Calkins & Holden, Inc., New York City.

POSTUM COMPANY, INC., New York, Maxwell House coffee account to Erwin, Wasey & Company, there.

PRO-GRIP MANUFACTURING CORPORATION, New York City, patented grip for golf clubs, to Frank Presbrey Company, there.

R. M. HOLLINGSHEAD & COMPANY, Camden, New Jersey, Whiz automotive products, to Erwin, Wasey & Company, New York City.

POSTUM COMPANY, INC., New York City, Franklin Baker cocoanut account to Young & Rubicam, Inc., there.

PURE OIL COMPANY, Chicago, Purol gasoline, Tiolene and greases, newspaper campaign to Lord & Thomas and Logan, there, which company also handles the radio broadcasting for the Pure Oil Company.

ALASKA REFRIGERATOR COMPANY, Muskegon, Michigan, Alaska refrigerators; AMERICAN FLYER MANUFACTURING COMPANY, Chicago, toy electric trains, and Structo toys, to Henri, Hurst & McDonald, Inc., Chicago. Trade papers and magazines for the former; newspapers, magazines and trade papers for the latter.

ROOSEVELT FIELD, INC., Long Island, New York, to Geare, Marston & Pilling, Inc., Philadelphia and New York. Newspapers and magazines.

TWIN-FLEX CORPORATION, Detroit, to Fecheimer, Frank & Spedden, Inc., there. Newspapers, magazines and technical publications and direct mail.

SOLITAIRE & FURMOTO CHEMICAL COM-PANY, New York City, Solitaire shoe dressing, to Lawrence Fertig Company, Inc., of that city. Newspapers and trade papers.

MALT DIASTASE COMPANY, Brooklyn, New York, malt products, to Churchill-Hall, Inc., New York City. Newspapers.

IRWIN, NEISLER COMPANY, Decatur, Illinois, Sodinco, to Van Allen Company, Chicago. Newspapers and trade papers.

KIP CORPORATION, Los Angeles, Pyrol and other pharmaceutical products, to Williams & Cunnyngham, Inc., Chicago. Newspapers and magazines.

DETROIT AIRCRAFT CORPORATION, Detroit, airplanes, flying boats, dirigibles, aircraft motors, etc., to Austin F. Bement, Inc., Detroit and Chicago.

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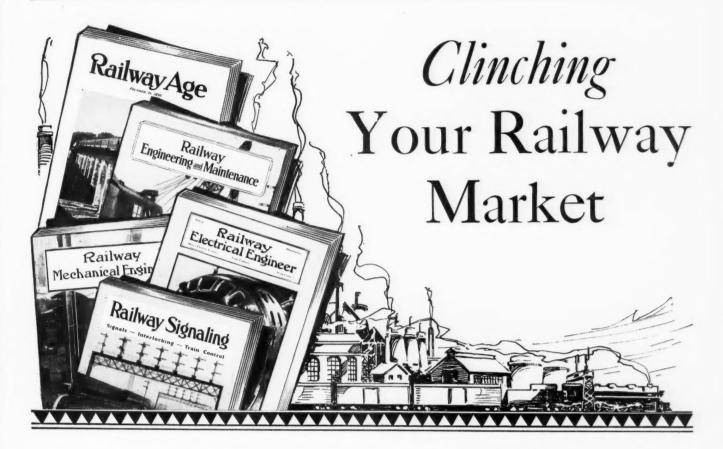
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THE manufacturer who succeeds in making the steam railways a regular customer, has gained a consistently large market for his products.

The railways spend over two billion dollars annually for materials and equipment, and the record railway earnings, the large new construction programs, and the great car and locomotive buying activity so far this year, combine to indicate an exceptionally good year during 1929 for manufacturers who sell to the steam railways.

To clinch your railway market . . . to make the railways a regular buyer of your products . . . intensive advertising properly executed, and directed to the right railway men, can aid you materially.

And you can select the railway men you want to reach and concentrate your sales efforts on them through the five departmental railway publications that comprise the Railway Service Unit. These publications, with a total of more than 36,000 paid subscribers, have a most thorough distribution in every branch of the steam railway industry. They enable you to reach effectively the railway men who can specify and influence the purchases of your particular products . . . for each of these publications is devoted exclusively to one of the five branches of railway service.

# Simmons-Boardman Publications

30 Church St., New York 105 W. Adams St., Chicago Cleveland San Francisco Washington, D. C

RAILWAY SERVICE

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# These Wholesalers Pay Salesmen on a Basis of Net Earned Profit

(Continued from page 13)

The salesmen are in close touch with their customers, they see about how each one is getting along and they know how well or how poorly each one pays. As they are penalized on bad accounts, they are personally interested in seeing that all their customers pay. Contrast this with the attitude of the average salesman who works on salary or commission."

Both Mr. Kirkpatrick and J. G. Siller, Jr., sales manager of the Weideman Company, said their salesmen like the plan and that it is also the most satisfactory to the house.

To summarize their comments, the salesmen like the plan better because it gives them a definite incentive to do their best and rewards them exactly and promptly in accordance with their performance. On this basis the salesman is rewarded for good performance any time he earns it; on a salary basis one usually has to show gains consistently for a period of months before his good work is recognized and even then he may have to fight for a raise or may be given less than he thinks he deserves.

#### Reduced Turnover

The employers like it for the same reasons and for the additional reasons that it has greatly reduced their turnover of salesmen, the salesmen work more consistently, they are more interested in selling goods on which there is a generous margin of profit, they have a better appreciation of their employer's problems and they are more careful to guard against opening or carrying risky accounts.

The Carpenter Cook Company, of Menominee, employs a similar plan, the principal differences being in the percentages of net profit paid and in

the method of payment.

"We figure the profit on each sales sheet after the invoice has been made and credit it to the salesman," W. M. Gander, vice-president and sales manager, reported. "This share of the profits varies according to the territory. For instance, we pay the city salesman 25 per cent of the ner profit on his sales, while out in the country we pay 40 per cent, and to points where we have to pay considerable freight we pay as high as 50 per cent after deducting the freight costs.

"We allow our salesmen a drawing account, payable monthly, and they turn in their actual expense account each week. Both drawing account and expense accounts are charged against their share of the profits.

"We have been operating on this basis for many years and the results are that we get better sales effort. In other words, our men work harder, put in longer hours and concentrate on the profitable items—and they still think Saturday is a working day.

"Our managers and department men also share in the profits and this keeps them up on their toes, not only in the matter of sales, but also in that of expense."

The Edwards and Chamberlin plan was presented in detail in the August 4, 1928, issue of SALES MANAGEMENT. For the benefit of those who now are unfamiliar with it and do not have the article on file, it is summarized here.

# Other Variations

Edwards and Chamberlin pay their salesmen 30 to 37½ per cent of the gross profit on their sales after deducting 5 per cent as a freight and handling charge. The same percentage is charged against them on returned goods and on bad debts. Salesmen bear all their own expenses.

Salesmen are given drawing accounts ranging from \$200 to \$240 a month, the only compensation they receive until the end of the year, when they are paid such amounts as they may have earned on the percentage basis over and above what they have drawn. If one leaves the company before the end of the year he forfeits his right to share in the profits; in other words, he has had his drawing account and that is all he gets.

This jobber sells on a thirty-day cash basis and when an account becomes ninety days past due it is considered a bad debt and the salesman's commission on that business is charged against his accumulated credits.

Salesmen are allowed one week as a vacation without deducting from their monthly allowances.

This company formerly paid salesmen a straight salary, M. C. Gainder, sales manager, said. But that was very unsatisfactory and in1926 a plan from which the present system has been developed was introduced.

One of the principal advantages of this plan, according to Mr. Gainder, is that it encourages salesmen to sell goods at a profit and discourages a former bad habit of continually asking the management to give a certain prospect a special deal or to let them cut a price in order to meet real or fancied competition.

To keep salesmen reminded of the most profitable items to push, a list of eighteen items is printed on the daily report form. Sixteen of these are long-profit items, while the other two are big volume lines.

August Buschman and Sons, Indianapolis, classify their goods in twentysix lines and furnish salesmen a monthly report showing sales of each line, gross profit, and percentage of profit for the current year as compared with the corresponding period of the previous year. From this, a salesman is enabled to see at once where the most profit is made and on what lines he is weak.

There are so many interesting phases and results of this particular variation of the plan that it is planned to devote a separate article to it in an early issue of this magazine.

# A Catalogue Punctures the Price Objection

(Continued from page 26)

the prospective buyer can take the catalogue with him, show actual pictures of similar jobs to his banker and get the loan. So important is this feature that Mr. McKee included in the book a special message to bankers, in part, as follows:

"Credit losses due to greenhouse owners failing to make payments are very low. In our experience, the loss due to bad debts on \$10,000,000 of sales was less than \$5,000. Bankruptcy is almost unknown among greenhouse owners. We have never known or heard of a default on any greenhouse bond issue. There are virtually no idle or vacant greenhouses in the United States, proof conclusive that greenhouses are all 'going businesses'

"An up-to-date greenhouse owner is a good customer for a banker. Bankers should investigate this new giant industry that is making such rapid strides. There is much to be done in the financing of greenhouses. The field is ripe and the wide-awake banker and investor will find a goodly harvest. Here is a safe business and a profitable one in which capital may be employed well."

Mr. McKee cites the aggregate volume of sales of greenhouse flowers, plants and vegetables as \$700,000,000, contrasted with \$45,000,000 in 1910. He states that a survey he has made of a number of sections indicates a

conservative estimate of per capita consumption of \$3.50 per year for cut flowers, \$1.30 for potted plants and \$1 for vegetables.

One of the first moves Mr. McKee made upon publication of the "two-in-one" catalogue, which represented ten years of work at odd moments, was to mail copies with his compliments to all other manufacturers of greenhouses—a gracious gesture which has attracted favorable talk in the trade.

Since its adoption, this new instruction-manual catalogue has been used constantly by the company's sales force to cut down resistance due to price or lack of knowledge and to keep the company and its line continually in front of the greenhouse owner during the period when his mind is being made up. As a selling background, the company believes the catalogue has been a most profitable investment, in addition to a number of cases in which it has definitely clinched sales.

# "Bank on the Pluggers" Says Chrysler Sales Head

(Continued from page 10)
he was made vice-president in charge
of sales.

He was in this position when Walter P. Chrysler secured control of the company in 1924 and he has held it ever since. In addition, he is now a director of Chrysler Motors and president of DeSoto Motors, a subsidiary of Chrysler. When Chrysler acquired Dodge Brothers last year Mr. Fields took charge of the reorganization of that company and the coordination of its organization with that of Chrysler. About the same time he created a sales division for the "Plymouth" car and developed the "Fargo" commercial car.

In other words, all he has to do now is direct the sales of Chrysler, Dodge, DeSoto and Plymouth passenger cars and of Fargo commercial cars, each of which has a separate sales organization, and the combined production is in excess of 600,000 cars a year. The combined sales organizations are said to include nearly 20 per cent of all the automobile dealers in the country.

That "Joe" Fields is an indefatigable worker is obvious. Mr. Chrysler says, "In 1928 he has been responsible for accomplishing in sales administration what might well have taken a thoroughly competent organization three years to complete."

Mr. Fields celebrated his fiftieth birthday on April 19.

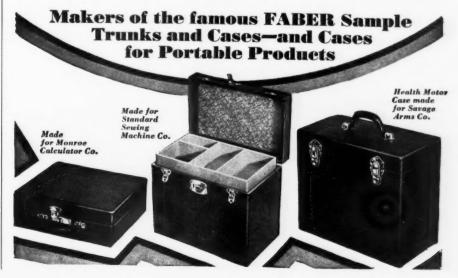


CASES by the 100,000 or the Piece! Cases that merely afford protection and portability or cases that make the product worth more than the price! Winship makes all!

Winship designs the case and aids the manfacturer to whom this is a new problem; or Winship builds to specifications to fit every need—even a price limitation! Winship cases help sell the product that's carried by hand. Portable typewriters, calculating machines, health motors, radios, phonographs, sewing machines, cosmetics, electrical instruments, vibrators,—these are but a few of the numberless cases designed and built by Winship.

Send a sample of your product or your present case or for any information and let us submit ideas and prices to you.

Boston 71 Summer St. W. W. Winship & Sons, Inc. Utica, N. Y. New York 39-41 W. 32nd St.



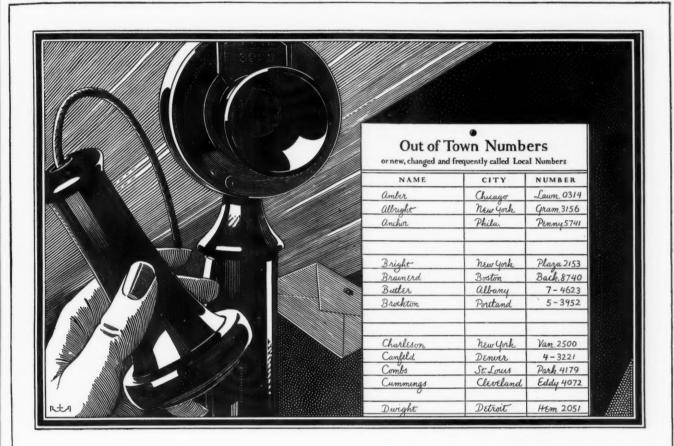
OO GOOD TO BE TRUE": Under this apt title Samuel Crowther in the Saturday Evening Post informs us that he has been reading charts which translated into figures "say that some thirty-five million factory workers (in the United States) are collectively receiving fifty billion dollars a year. It costs them only thirty-seven billion dollars a year to live, so that they now have a surplus fund each year of thirteen billion dollars which they can save or spend as they like. That is a tidy amount for pin money and if the calculations be true we are very soundly founded." If Mr. Crowther had extended his reading to the Census of Manufactures report for 1927 he would have learned that the average number of factory workers in this country is, not thirty-five million, but only a little more than eight million and that the sum of their wages is, not fifty billion, but a little less than eleven billion dollars. The discovery that the calculations he cites were so far from true might have confirmed his impression that "the statistical world is a very delightful fairyland." How it would have affected his conditional conclusion that "we are very solidly founded" is a question the answer to which may be implied in the heading of his article. . . . Statistics whether of business or anything else are all that has ever been said of them by those who misread them or by the victims of those who misuse them. To those who rely on trustworthy sources of such information and are concerned only to ascertain the facts, regardless of preconceived theory, numerical records are a safe guide. The figures which like human shapes belong to fairyland are products of imagination, of value chiefly in the field of entertainment.

ULTIPLYING LITTLE PROFITS: The dizzy rise of cigarette production, that goes on and on as though it would never end, is one of the wonders of the age that, among many, has become commonplace. For that reason only passing attention is given to the latest figures showing an output for May of 11,168 million, nearly 25 per cent more than in May last year. But in connection with the cut made in trade prices a year ago last April the record is useful for the light it throws in an elementary way on the relation that under certain circumstances exists between unit prices and volume of profits . . . When the manufacturers first announced that the popular brands would be sold at \$6 a thousand instead of \$6.40, less discounts, it was reckoned by at least one good authority in such matters that the companies stood to lose twenty million dollars in income if they stuck to these rates for a year. Actually the Big Three reported larger earnings than ever in 1928. Increased consumption was the reason, of course. The arithmetic is so simple that it is worth following only because we are constantly hearing business sermons which ignore the answer. . . . Assuming, for the sake of simplicity, that the old prices prevailed throughout 1928 and that the new prices will continue through 1929, and omitting discounts for the nonce, we arrive at this problem, reminiscent of childhood: If 106 billion (production in 1928) brings \$6.40 a thousand, will the amount taken in be more or less than the amount received from 120 billion (estimated production this year) at \$6 a thousand? The answer, forty-two million more, is not a forecast, needless to say. The net results, everything taken into account, may be somewhat different. But it is near enough in principle to illustrate rather strikingly a factor in money making which is still looked at with distrust by a good many business men who are in a position to use it to their advantage. When prices can be made a first lien on profits dividends are not likely to dwindle.

ABOR AND BUYING POWER: Three items of current news possess a kinship of peculiar business significance: Income tax receipts in the fiscal year ended June 30 were considerably higher than official predictions of their sum; 15,841 employes of Kodak, Ltd., received among them last Monday wage dividends amounting to \$2,204,628; Secretary of Labor Davis, spending a day in Detroit, remarked that the automobile industry's high wage scale had set a pace for all other industries that is reflected in the nation's buying power. But it is not for any unusual quality that these items are striking. Many developments of recent years have demonstrated our propensity to underestimate the growth of American income in this era of great prosperity. The tendency among employers to give labor a direct interest in profit is daily becoming more marked. The favorable influence of high wages on consumer markets is now recognized wherever economic factors are discussed. . . Indeed it is just because news of this character is lacking in the distinction of novelty that these items, culled from a single issue of one newspaper, deserve special attention, lest we miss the full import of their close relationship. It is only a few years since rising labor costs were regarded as an obstacle to successful operations that ensure full employment. Until the fallacy of this apprehension was realized distribution of earnings among employes was looked upon as nothing but a means of inspiring loyalty and activity in service. We know now that national receipts are swelling largely on account of liberal diffusion of income to those who buy the products of their own and their fellows' labor. . . The danger that seems to confront us in these days of concentrated energy is, not that we shall revert to the shortsighted policies that seek immediate advantages for capital, but that, in the drive toward absolute economic efficiency through massed effort, we shall deprive individual adventure in business and industry of the incentives

to and opportunities for high endeavor which has long been the hall-mark of our great democracy.

# Calling by Number takes less Time...



If you know the numbers on your out of town calls you can get many of them about as quickly as local calls. It is worth while keeping a list of numbers you frequently use. If you do not know them, "Information" will get them for you.

If there are a lot of them, write to the nearest Bell Telephone Business Office and ask them to make out the list for you.

If you want some one in a hurry, the telephone number is as important as

the street address. That is why many concerns print their telephone numbers on their letterheads and send their telephone numbers to all of their customers, asking them to telephone when some service or shipment is wanted in a rush.

Making calls to other cities by number, and encouraging those dealing with you to call you by number, will further speed the growth of business by tele-

phone. Bell Telephone Service is Convenient... Economical... Universal.



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# Trade-Marks in Foreign Fields Endangered by Legal Neglect

(Continued from page 16)

be done to halt the sale of fraudulent goods, although if the American manufacturer had registered his trademark when he introduced his goods it is likely action could be taken with success.

The tendency in Japan to imitate American products is particularly marked. Not only are wrappers, packages, trade-marks, labels and forms of advertising simulated, but so skillful are imitators that the average consumer is deceived into believing he is buying numerous American products.

This tendency can be combated successfully only when all marks and brands of goods are registered. In a surprising number of cases it is found that manufacturers have thought it sufficient to register only principal marks, neglecting brands and special names.

# Paper Novelties Case

As a typical instance, a large American manufacturing concern producing fancy papers and paper novelties recently found a Japanese firm was imitating several of its specialties. If all original brands had been registered there is little doubt that the problem would have been simple, but the company had registered only important trade-marks, and failure to protect others so complicates the case that the outcome is not only problematical, but involves considerable expense and loss of business.

So dangerous to our export business does the Department of Commerce consider the growing number of infringements on American products that it is now making a survey. Under James L. Brown, chief of the Patent and Trade-Mark Section of the Division of Commercial Laws, investigation has been extended to twenty-six countries, and when completed, facts revealed will undoubtedly facilitate protection of American good will.

However, the Government can do nothing when manufacturers do not register their only means of identifying products in export markets. The cost of registering a trade-mark, brand or label in a foreign country is usually about \$100, including attorneys' fees. In every case registration should be applied for by a competent attorney experienced in foreign trade-mark practice.

Although economy has been men-

tioned as an excuse by many Americans whose products have been infringed, indications are that infringement is likely in practically all successful foreign promotion, and on goods identified by unregistered marks, will always entail an expense of many times the cost of registration. An American manufacturer offered a "pirate" \$3,000 to return the ownership of a trade-mark used for many years. A number of such cases proves the absurdity of failure to register trade-marks on the ground of economy.

# "Trick" Selling Condemned by Trade Commission

(Continued from page 20) same territory is redemonstrated after a lapse of a year or more.

This paragraph states that during the period from January 1, 1925, to June 30, 1926, 1,500 demonstrators were employed in ten states in the south and west, and that many others were working in other states during the same period. "The respondent also employs at all times," it continues, 'at least 200 salesmen who are instructed to make the cold water test constantly before retail grocers and such customers as may be present in the stores. These tests are made according to instructions, and reports are constantly forwarded by salesmen and demonstrators to the principal office of the respondent."

After setting forth the manner of instructing demonstrators, the findings hold that the statement of respondent, "If the powder is of full strength and you have proceeded properly, the gas released will form bubbles sufficient to half fill the glass," to be false and deceptive, and adds: "The alleged test is in no sense a true test for or of the leavening strength of Calumet or any other powder. A powder which is 2 per cent or even 3 per cent below the legal standard set for carbon dioxide (leavening) strength by the U.S. Department of Agriculture or by the laws or regulations of various States will, if it contains white of egg, act in the cold water test as favorably as a powder containing the full legal strength or even going 3 per cent above it; and such a test has the capacity and tendency to mislead and deceive the dealer or housewife who relies upon same to determine the strength of the baking powder to be sold or used."

Then the deception of the test is further explained by the statement that Snow King Baking Powder, which is approximately 15 per cent stronger in carbon dioxide gas than Calumet, produces a foam mixture of not more than half as much as a cold water test of Calumet. "Other competing powders also containing dried white of egg," the findings add, "but which contain acid ingredients which do not react in cold water to the same extent that the acid ingredients in respondent's powder react, are tested or demonstrated against by respondent with results similar to those obtained in a test of Snow King Baking

All of which and much more the findings declare to be to the prejudice of the public and of the respondent's competitors, also to be unfair methods of competition in commerce and to constitute a violation of the law.

# Simpsons Consolidates Holdings; to Rival Eaton's in Canada

Simpsons, Ltd., a new company in the department-store and mail-order field, has been incorporated under the laws of Canada, to acquire the holdings of the Robert Simpson Company, Ltd., Toronto, which in turn owns the John Murphy Company, Ltd., a Montreal department store, now to be known as Robert Simpson Montreal, Ltd.; the Robert Simpson Western Ltd., Regina; the Robert Simpson Eastern, Ltd., Toronto and Halifax; Keens Manufacturing Company, Ltd., Toronto, and the Thompson Manufacturing Company, Ltd., Toronto.

An expansion program, which includes an investment of \$3,000,000 in a six-story addition to the Montreal store, is now under way and the company has launched a financing plan for \$20,000,000. Capitalization of the combined companies exceeds \$34,000,000, including the new financing.

The Regina property is used for retail and mail-order business, the latter serving four Western provinces. The Halifax store is used similarly and does a mail-order business which extends through Eastern Canada.

The largest mail-order house in Canada is Eaton's, Toronto, and the new Simpsons group is considered its closest competitor in that field.

The New York Evening Journal has opened a Philadelphia office in the Fidelity Philadelphia Trust Building.

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Last week's bank figures showed a distinctly favorable trend in the volume of total transactions for the first time in several weeks, comparison being made with figures of the corresponding period in 1928. At the same time earning statements of large corporations for the second quarter- and halfyear of 1929, which began to make their appearance, confirmed the impression that recent months have been unprecedentedly profitable. Adding to the good sentiment created by these symptoms and records was the remarkable report of the Treasury Department for the fiscal year ended June 30 revealing an extraordinary increase in collections from individual income taxes—no less than \$220,000,000. Looking into the future, bankers are now inclined to expect some relaxation in money rates, while shippers' estimates of requirements in the third quarter are for nearly 7 per cent more freight cars than were needed in the corresponding period of 1928.

#### Total Transactions

Bank clearings in twenty-three large cities for the week ended June 25 amounted to \$11,416,000,000, 14.5 per cent more than last year. New York's gain was 20.5 per cent. The net change in the other cities was 1.9 per cent, all but eight contributing advances. Debits against individual accounts totaled \$16,266,000,000, an increase over 1928 of 9.5 per cent. New York was up 12.4 per cent, aggregate in the other districts, all higher, being better by 5 per cent.

#### Distribution of Goods

Railroad shippers' regional advisory boards estimate requirements for the third quarter of 1929 at 9,816,948 cars, 6.9 per cent more than last year. The chief gains anticipated are in the Allegheny, Ohio Valley and Midwestern districts, for coal, coke, iron and steel and automotive products.

#### Margin of Profits

Commodity prices held firm, the Irving Fisher index reaching 97.7, compared with 97.6 the week before.

# Credit Conditions

Call money ranged between 7 and 10. Time loans softened to 71/2 to 8, while commercial paper still ruled at 6.

"REACHING THE BUYER IS HALF THE SALE"



# Harder to Miss than to See Some of the

Present Users of Neighborhood

Posters

Anheuser-Busch Armour & Co. Borden's Milk Camel Cigarettes Carnation Milk Coca-Cola Dayton Rubber Diamond Crystal Salt Emerson Shoe H-O Hornby's Oats Hecker's Flour Ipana Tooth Paste Kirkman's Soap Old Dutch Cleanser Premier Malt Puritan Malt Quality Bakers Reckitt's Blue Sapolio Snowdrift Tolley's Cakes Ward's Bread Werk Soap Wrigley's Gum

EVERY time a corner is L built, potential outdoor locations are eliminated, or forced above street level.

On the other hand, every new retail corner provides from one to six potential locations for Criterion (3sheet) Posters. Always at "eye-level," (obstructing no scenery), they stay where the buying is done.

No. 3 of a series, inviting attention to twenty unique features of Criterion National Neighborhood Posting. Criterion Service, Graybar Building, New York City.

# CRITERION SERVICE

The Original and Only Uniform National Service of 3-Sheet "Neighborhood Posting"



CRITERION SERVICE, GRAYBAR BUILDING, NEW YORK CITY: Please send us the portfolio advertised in Sales Management.

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# RADIO ADVERTISERS

There is a gold mine of valuable information for you in the RADIO STATION SECTION of Standard Rate & Data Service.

With it you have at your finger-tips the latest available complete and accurate information about all stations that sell time on the air.

Wavelength, operating power, station and talent charges, chain affiliations, mechanical program facilities and dozens of other items of helpful data are shown. And it's all in easy-to-find and concise form.

Specimen pages and further information will be cheerfully sent if you will drop a request in the

# STANDARD RATE & DATA SERVICE

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5 MARKETS IN TEXAS

**BEAUMONT** Trade Territory

FIFTH MARKET in Texas

THIRD MARKET for Louisiana

One sales manager said it was a gigantic work shop with the sky for the roof. No Texas or Louisiana list is complete without the

#### BEAUMONT ENTERPRISE AND THE BEAUMONT JOURNAL

Home delivered throughout Southeast Texas and Southwest Louisiana "Ask BECKWITH, He Knows"

# WANTED

# Top-Notch Sales Executive

Million dollar equipment manufacturer has opening for real Sales Executive (35-40). Must be wide-awake graduate Mechanical Engineer, now in charge of sales for some thoroughly progressive, successful concern, preferably in machinery lines, of good personality, and one who has fully proven that he himself is a 100% Salesman and equally that he has ace-high ability for leadership and sales management; a man who has proven that he is a real result-getter in that he has ace-high ability for leadership and sales management; a man who has proven that he is a real result-getter in every phase of sales management. He must be capable of building up existing forces and competent to select and train others, and have the "know how" to put new life and method into the Department, both head-quarters and district forces, and experienced in public speaking.

Applicants must send photograph and state in first letter age, nationality, schooling, past connections, period of employment, duties and remuneration; why changes were made; salary expected to start, and all pertinent information. This is a big opportunity, where, if merited, \$12,000 and better can be realized after two years, and increased as results justify. Only men who have demonstrated out of the ordinary ability in Sales Management will be considered. The man must be capable of doing big things "on his own."

Applications will be treated in strict confidence until your permission otherwise is granted.

Address Box 313, SALES MANAGEMENT, 420 Lexington Ave., New York, N. Y.

#### Survey of Surveys

(Continued from page 2)

The Status of the Retail Style Advisor in Theory and in Practice. An article based on a survey of twenty of the largest and most prominent retail stores. Retailing, June 15.

June 15.

Merchandising Methods to the Rescue of the Independent Grocer. A review of a survey made by the U. S. Chamber of Commerce in cooperation with the Wholesale Grocers' Assn. Retailing, June 15.

Trend of Sales of Silk, Rayon and Cotton in the Piece Goods Departments. Review of study made by N. R. D. G. A. Retailing, June 29, Journal of Commerce, New York, June 24.

Wash Fabric Survey, Women's Wear, June 27.

Tune 2

Building and Plumbing Codes. Review of survey made by the Div. of Building and Housing of the Bur. of Standards, Dept. of Commerce. U. S. Daily, June 22.

Color Trend in Hospital Linens. Review of survey by U. S. Dept. of Commerce, Partiling Lynn 19.

Business Methods of a Large Independent Grocery. Review of survey by U. S. Dept. of Commerce. U. S. Daily, June 6.

A chart showing Chain Store Statistics. the growth in 1928 of fifty-one representative chain store systems. Merrill, Lynch & Co., 120 Broadway, New York.

Influence of Newspaper Ads. A study made by John Freeman Pyle, Marquette University, Milwaukee, Wis. Women's

Special Cotton Crop and Market Survey, Journal of Commerce, New York, June 5. Why Does Trade Leave Home. Review of survey made by Barberton, Ohio, Chamber of Commerce. *Retailing*, June 22.
Survey of Current Business No. 94, Bur.

of the Census, Dept. of Commerce, Govt. Printing Office, Washington, D. C. (sub-

rinting Office, Washington, D. C. (subscription \$1.50 per year).

1928 Yearbook of Agriculture. Dept. of Agriculture. Supt. of Documents, Govt. Printing Office, Washington, D. C.

The Local Strength of Magazine Advertising by Cities and Trading Areas. Marketing Div., International Magazine Co., 57th St. and 8th Ave., New York.

### In the Works

Women's Wages. A survey of pay and living costs in twenty-five countries by the International Y. W. C. A. Plan of survey outlined in New York *Times*, June 23.

Cost Study of Distribution. U. S. Dept.

of Commerce. Journal of Commerce.
Nation-wide Survey on Returns of Merchandise. N. R. D. G. A. in cooperation with Dept. of Commerce. June 6.
Survey of Distribution of Gloves and Mittens. Dept. of Commerce, Women's

Wear.

N. B. Because of the many inquiries and requests for copies of surveys listed in this column in the monthly Thumbnail Review, may we state that in listing a survey we do not necessarily mean that it is available for general distribution. We list all important surveys in this column which come to our attention, whether generally available or not.

We do this because readers frequently have methods of approach to confidential and semi-confidential reports which might be used if they knew of the existence of a certain report. Our service in this con-nection is therefore purely informative. Subscribers who wish any report or sur-

vey listed or described here should request it from the source indicated, mentioning SALES MANAGEMENT.

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# Careless Physical Distribution: A Monkey Wrench in the Machinery

(Continued from page 22)

ern medical practice, also preventive and prophylactic.

But sales and sales promotion departments are nowhere near 100 per cent equipped to deal with the matter of physical distribution—just because it is physical. "Selling ideas, not things; selling service, not products; selling use, not goods," has distracted us from the plain commonsense necessity of having a product where and when and how the consuming public can get the product—and only after that the idea of service, use and enjoyment.

### All Can Contribute

The sales department and the advertising department or the advertising agency, as well as the factory production engineers, can all contribute in an indispensable manner to the specific problem of physical distribution for any given manufacturer with goods for sale. But in many cases a vital part of the burden will have to be borne by specialists on the outside with the outside point of view and with a happy combination of general engineering principles, intensive knowledge of local topography and traffic conditions and (if Heaven will give him this, too) some acquaintance with sales promotion methods and the exigencies of retail trade.

The local warehouseman seems the likeliest candidate for this position. He has learned to handle comparatively small deliveries, so meeting the requirements of hand-to-mouth buying; and at the same time, he knows how to combine the small shipments of many sellers to many buyers, thus securing the volume necessary for low costs. He is the product of many con-ditions which created the present problem of physical distribution. Over the production expert he has the advantage that he knows moving goods outside the factory and in small volume; and over the promotion expert he has the advantage that what he knows is moving goods physically, not psychically. Can he learn from the promotion expert enough about selling and advertising to accomplish two purposes: the first, physical and concrete, to relate his motion of goods even more accurately and smoothly to the needs of the local seller and buyer; and, second, to sell his service to the manufacturer, retailer, perhaps even to the wholesaler, and if he is to accomplish the utmost, to the ultimate consumer besides? If he can do this, or can pool his abilities with the knowledge of the sales executive advertising expert and market analyst, then it seems certain that we shall see physical distribution systematized, organized, and transformed into a valuable help to modern promotion methods in increasing sales and profits.

But it is quite certain that the production executive, the sales manager and the advertising manager must all be roused to the importance of systematizing and simplifying physical distribution. That is the first step—of which there can be no shadow of doubt. It may be less certain—still it seems to me pretty sure that production, sales and promotion executives will have to turn to the public warehouseman for "localized" help.

#### Might Have Committee

It occurs to me that this whole problem of distribution could be organized by manufacturing concerns creating a special committee on physical distribution, with the general sales manager as chairman and the production executive, director of advertising and the traffic manager as the other members of the committee.

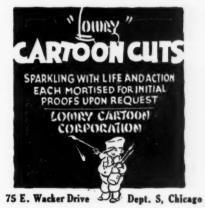
In considering the problems of each territory, the committee could call upon the district sales managers for all possible data and advice including a complete report on the nature of service available through the local merchandise warehouses. In this way very little would be overlooked which would contribute toward a maximum of efficiency and economy and the whole problem of physical distribution would be dealt with on a better organized basis than now prevails with many companies.

# New England Hotels to Start Campaign

Sixteen thousand dollars will be spent in an advertising campaign in fifteen newspapers throughout the country this summer by the New England Hotel Association.

Cities in which the campaign will run are New York, Brooklyn, Philadelphia, Washington, Pittsburgh, Cincinnati, Cleveland, Chicago, Detroit, St. Louis, Atlanta, Jacksonville, New Orleans and Dallas.





#### Crying Our Wares

By HOWARD W. DICKINSON

This book was reviewed on page 392 of SALES MANAGEMENT for February 16th. Should be valuable to all persons in sales work and promotion. Written by the former Vice President of the George Batten Company, it tells the intimate details of many campaigns with which he was in close contact.

Price, postpaid, \$3.00

SALES MANAGEMENT

Book Service

420 Lexington Ave. New York City

# Handwriting on the Wall for Grocery Manufacturers

(Continued from page 32)

Soon, I believe, when the facts revealed by the survey are widely known, manufacturers will recognize the fact that the retailer is their final salesman, and realize their goods are not completely sold until they are in the hands of the consumer and giving satisfaction. Also, I am convinced successful manufacturers will realize that their profits are assured, not through manufacturing, but by the orderly distribution and economic merchandising of their products, and, accordingly, they will devote more time to cooperating with the dealer in the solution of retail problems.

#### Lose Money on Small Sizes

The size of the retail sales unit is also of the greatest importance. The survey of our store shows that, in many instances, while we are making money on one size, we are losing on a smaller size of the same product. In a case of this kind, we are faced with the necessity of discontinuing the money-losing item, or suppressing its sale as far as possible. We have learned that our profit margin must be larger on the small sales units if we are to handle them profitably.

Manufacturers can not only facilitate their own business by solving this unit problem for us, but also utilize profitably the principle in putting out new goods. If one size of, let us say, a canned product is unprofitable and a larger size profitable to the retailer, I am sure all intelligent retailers can be induced to handle both, if the smaller size is a convenience to the public, provided the manufacturer aids in solving the problem by popularizing, with his advertising, the size which can be profitably handled by the retailer.

I believe that the future of the intelligent individual retail grocer is very bright. We need a better class of men in the business and, to induce them to enter it, we must make its rewards more certain. To accomplish this, the retailer must have the cooperation of the manufacturer and wholesaler in promoting necessary economic practices throughout food distribution, and soon we shall not be in any doubt as to what the necessary practices are.

# Reinitz to Millsco Agency

Albert L. Reinitz, former vice-president of the New York office of Rudolf Mosse, Inc., has joined Millsco Agency, Inc., there, as director of merchandising, in charge of the research and plan departments.

# Personal Service and Supplies

Classified Rates: 50c a line of seven words; minimum \$3.00. No display Cash Basis Only. Remittance Must Accompany Order.

#### EXECUTIVE WANTED

# IF YOU ARE OPEN TO OVERTURES FOR new connection, and qualified for a salary between \$2,500 and \$25,000, your response to this announcement is invited. The undersigned provides a thoroughly organized service, of recognized standing and reputation, through which preliminaries are negotiated confidentially for positions of the calibre indicated. The procedure is individualized to each client's personal requirements; your identity covered and present position protected. Established nine-teen years. Send only name and address for details. R. W. Bixby, Inc., 118 Downtown Building, Buffalo, N. Y.

#### SALES PROMOTION

\$50 to \$50,000 DAILY SALES SECURED FOR our clients. This distributor took on a new specialty, retailing at \$60. His first purchase \$12. We submitted a sales program capable of national expansion. Within four years his sales were nation-wide, running to \$100,000 monthly. 35 years salesmanship-in-print experience back of our campaigns. Submit sales problems for free diagnosis. 10 years Sales Promotion Manager, Larkin Co. James C. Johnson, 119 Woodbridge Ave., Buffalo, N. Y.

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# MARKET ANALYSIS

#### By PERCIVAL WHITE

52 charts, diagrams, sample letters and questionnaires are given to show how market research work has been done by others, and to give the reader a plan of campaign for a survey of his own. This book will be particularly valuable to any sales executive who feels that his sales volume has not reached full potentialities; it shows how and where to get the needed facts, how to analyze them, how to use them profitably. 340 pages.

Price, postpaid, \$4.00

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PHOTOGRAPHS talk to our appetites. They say "delicious," "pure," "wholesome" ... Your most enticing words, placed side by side, could never tell the tale so temptingly.

When you use photographs the glance instantly gets your message and your meaning. No need for wearying words, long-

Interesting .... and photographs will tell your story too





Your copy of How to Use Photographs in Your Business is ready. Your local commercial photographer will gladly hand it to you; or write Photographers Association of America, 2258 Euclid Ave., Cleveland, Ohio winded explanations. And most important of all, the mind does not give battle to the evidence of the camera. Instinctively you have faith in photography. You know that the print is not just a "pretty picture," but the real thing. Capitalize on this natural recep-

Capitalize on this natural receptiveness by using photographs to build believability.

# PHOTOGRAPHS Tell the Truth

"SUSINESS and human nature are partners, each essential to the other."

Theodore F. Mac Manus,
Pres., MAC MANUS, INC.,
In PRINTERS' INK WEEKLY, Feb. 28, 1929



# We are delighted to have Mr. Mac Manus confirm our editorial slogan

Edited from TULSA, OKLA. World Building CHICAGO 35 E. Wacker Drive NEW YORK 342 Madison Ave. HOUSTON, TEX. West Building

Published from CLEVELAND 1213 W. Third St.



Nevery one of the five editorial offices of National Petroleum News the slogan "Human Interest Insures Reader-Interest" is used as a daily guide in the collection and preparation of editorial matter.

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